

# Legislative Assembly

Tuesday, 24 August 1982

The SPEAKER (Mr Thompson) took the Chair at 4.30 p.m., and read prayers.

## WORKERS' COMPENSATION

### *Noise-induced Hearing Loss: Petition*

MR HERZFELD (Mundaring) [4.33 p.m.]: Before I present this petition I would like to clarify a point with you, Mr Speaker. My understanding of Standing Orders is that petitions are required to be couched in respectful terms. Is there anything under Standing Orders that denies a member the opportunity to present a petition that is complimentary to a member of this House?

The SPEAKER: I know of no such Standing Order.

Mr Davies: Only the modesty of the member.

Mr HERZFELD: The petition reads—

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

We the undersigned being the Committee that sponsored the Hearing Conservation Petition presented to parliament on the 2nd April, 1981 by the Member for Mundaring, Mr T. A. Herzfeld on behalf of those workers employed in the Boiler-making and Metal Fabrication and Construction Industries and each suffering noise induced hearing loss in varying degrees—

Mr Brian Burke: We should all have to do this.

Mr HERZFELD: It is true. The petition continues—

—request that the State Government accept our thanks and appreciation for responding to our Petition and making provision in the proposed new Workers Compensation Legislation for those who suffer from—Noise Induced Hearing Loss.

Several members interjected.

The SPEAKER: Order! I ask the member to resume his seat. It is reasonable that I be able to hear the petition; therefore, I ask members to cease interjecting.

Mr HERZFELD: To continue—

We anticipate that the proposed legislation will reflect the sincerity and concern as expressed during our several meetings on the

subject with the then Minister for Labour and Industries the Hon. R. J. O'Connor, M.L.A.

We express our concern at the suggestion that the proposed legislation does not make provision for those whose hearing has already been sacrificed because of the cavalier attitudes of the past and would respectfully request that the disabilities of those already suffering from this problem be recognised and that the proposed legislation be amended to rectify this omission prior to its submission to parliament.

Several members interjected.

Mr HERZFELD: The best part is still to come. The petition continues—

We recognise the contribution of the Member for Mundaring, Mr T. A. Herzfeld, and acknowledge his efforts on our behalf. We extend to him our sincerest thanks for his personal support and assistance.

Mr Tonkin: You must be worried.

Mr HERZFELD: To continue—

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

There are five signatories.

Mr Brian Burke: A great new initiative by the Government.

Mr McIver: What about Auntie Mary? Did you leave her out?

Mr HERZFELD: Because of the mirth of members opposite I would like to explain that the five signatories represent the chairman and committee members of the committee which organised 1 603 signatories to the original petition. I certify that the petition confirms with the Standing Orders of the House.

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

(See petition No. 15.)

## STANDING ORDERS SUSPENSION: BILLS

### *Motion*

MR O'CONNOR (Mt. Lawley—Premier) [4.38 p.m.]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the following Bills to be introduced without notice and read a first time on this day.

Stamp Amendment Bill (No. 4).

Fisheries Amendment Bill.

Cancer Council of Western Australia Repeal Bill.

Acts Amendment (Mining) Bill.

Prisons Amendment Bill.

Motor Vehicle (Third Party Insurance) Amendment Bill.

Question put.

The SPEAKER: There being no dissentient voice, I declare that I have satisfied myself that there is an absolute majority present and I declare the motion carried by the required majority.

Question thus passed.

## **BILLS (6): INTRODUCTION AND FIRST READING**

### **1. Stamp Amendment Bill (No. 4).**

Bill introduced, on motion by Mr O'Connor (Treasurer), and read a first time.

### **2. Fisheries Amendment Bill.**

Bill introduced, on motion by Mr Old (Minister for Fisheries and Wildlife), and read a first time.

### **3. Acts Amendment (Mining) Bill.**

Bill introduced, on motion by Mr P. V. Jones (Minister for Mines), and read a first time.

### **4. Cancer Council of Western Australia Repeal Bill.**

Bill introduced, on motion by Mr Young (Minister for Health), and read a first time.

### **5. Prisons Amendment Bill.**

Bill introduced, on motion by Mr Hassell (Minister for Police and Prisons), and read a first time.

### **6. Motor Vehicle (Third Party Insurance) Amendment Bill.**

Bill introduced, on motion by Mrs Craig (Minister for Local Government), and read a first time.

## **MINE WORKERS' RELIEF AMENDMENT BILL**

### *Introduction and First Reading*

Bill introduced, on motion by Mr P. V. Jones (Minister for Mines), and read a first time.

## **BILLS (2): THIRD READING**

### **1. The Commercial Bank of Australia Limited (Merger) Bill.**

### **2. The Commercial Banking Company of Sydney Limited (Merger) Bill.**

Bills read a third time, on motions by Mr O'Connor (Treasurer), and transmitted to the Council.

## **RACING, TROTTING AND GREYHOUND RACING APPEAL TRIBUNAL BILL**

### *Dissent from Speaker's Ruling*

Debate resumed from 4 August.

MR JAMIESON (Welshpool) [4.52 p.m.]: I support the motion to dissent from your ruling, Sir. I hoped that you would have had another look at this matter, because from 1934 onwards Bills containing provisions relating to self-generating funding have been introduced by private members. The first piece of legislation of this nature which I have examined is the Builders' Registration Act and that was followed by the Painters' Registration Act, introduced by the Hon. Herb Graham approximately 26 years ago.

I introduced a Bill relating to the plasterers' registration authority which contained a provision in regard to self-generating funding and that Bill was not ruled to be out of order in this House, although it was not passed.

The wording of this Bill may be different from the wording of the other pieces of legislation to which I have referred. However, if a Bill contains provisions relating to self-generating funding, you, Sir, are wrong to say it needs to be supported by a Governor's message.

It may be necessary to amend such a Bill, but it is in the interests of the Parliament and members that legislation of this nature be debated fully in this Chamber and passed, and the validity of it contested in the other place.

The Racing, Trotting and Greyhound Racing Appeal Tribunal Bill is drafted in such a way that the Government will not be responsible for the provision of any funds relating to its operations. The other Acts to which I have referred contain similar provisions in relation to self-generating funding and they have been in existence and have worked well for a number of years. From time to time they have been amended, but it was never thought necessary that they be supported by a Governor's message.

I suggest you, Sir, may be in error in your ruling on this occasion and it is possible your interpretation of the wording of the Bill, to the effect that funds from Consolidated Revenue may be allocated to this area were this legislation passed, may be incorrect.

That is all that needs to be said to indicate clearly to the House that doubt exists as to whether this particular Standing Order may be used in respect of this Bill and it is in the interests of members that the position be clarified. However, the ruling of one Speaker does not necessarily clarify the position, particularly if a vote is taken on party lines.

It is important that we preserve the right of private members in this House to introduce this type of legislation on behalf of some members of the community. In the past, private legislation was introduced to deal with such matters, although that has not occurred for a long time, because today these issues are usually handled by private members or the Government introducing legislation on behalf of the organisation concerned. Indeed, our Standing Orders covering the introduction of private legislation virtually have ceased to exist, because they are out of print. If it were decided to introduce a private Bill, the parties concerned would need to approach a member in order that the Bill could be drafted in conformity with the relevant Standing Orders, if it was possible to find a copy of them.

However, that is what occurred in the past and such procedures are not really relevant today. I believe that they should never be used again, but rather that matters of this nature should be handled by members of this House, either on behalf of the Government or on an individual basis, and that is what the member for Canning has done on this occasion.

The provision in this Bill relating to self-generating funding is a vital part of the legislation and it should be scrutinised closely not only by you, Sir, but also by all members of the House.

I cannot agree with your ruling, Sir, that this piece of legislation should be supported by a Governor's message.

**MR O'CONNOR (Mt. Lawley—Premier)** [5.00 p.m.]: Mr Speaker, when your ruling was disagreed with some two weeks ago by the member for Canning, you gave a clear and concise indication of your views on this matter. The point of the member for Welshpool that some precedence exists to indicate that your ruling should be disagreed with, does not necessarily mean that those precedents were correct. As a matter of fact, matters which have been in error have gone through this House. When such errors come to the notice of the Government, the Opposition, or the Speaker, they should be rectified. That is what you have undertaken to do in regard to this matter.

I indicate the clear support of the Government of the ruling you gave, and the reasons in that ruling. First of all, it had to be determined whether the measure would be a charge on public funds, and without doubt it would.

**Mr Bateman:** Every other Bill is a charge on public funds.

**Mr O'CONNOR:** Some members might disagree with the ruling that this measure would be a charge on public funds, and clearly they do. In my opinion it would be, and people with expertise in this field support that view.

**Mr Bateman:** Everything is a cost against the Crown. So with due respect to you, Mr Premier, I say you are wrong. Every Bill introduced in this Parliament is a cost to the Crown whether you would like to toss it or not.

**Mr O'CONNOR:** The point I make is correct; it is not ridiculous as is suggested. If the Opposition were to succeed with its view, the business of the Parliament would be taken out of the Government's hands. One thing would lead to another and we would never reach a conclusion. Obviously this measure would be a charge on public funds.

**Mr Bateman:** It would not be a charge on public funds.

**Mr O'CONNOR:** Without doubt it requires a message from the Governor before it can proceed, and no message has been given.

**Mr Bateman:** For heaven's sake, it doesn't need one. How archaic can we get? This is supposed to be a modern Parliament with a modern Premier.

**Mr O'CONNOR:** It is, and the Government intends to keep the running of the Parliament in the hands of the Government; that is what ought to be done.

Clause 15 (5) of the Bill indicates that an interest-free loan would be provided from the Consolidated Revenue Fund. Some people might say that would not be a charge against the Crown, but it would, and there is no doubt in my mind about that. A reimbursement is contemplated although the Bill makes no reference to such a reimbursement. The ruling you have given obviously is correct; the measure would no doubt be a charge on public funds.

Section 46 (8) of the Constitution Acts Amendment Act 1899 states—

A vote, resolution, or Bill for the appropriation of revenue or moneys shall not be passed unless the purpose of the appropriation has in the same session been recommended by message of the Governor to the Legislative Assembly.

Standing Order No. 305 states that an appropriation Bill must be dealt with in accordance with the Constitution; therefore it would be quite wrong of us to do anything else but agree with the ruling. The initiative of introducing money Bills does and must rest with the Crown. Quite a number of precedents support the ruling you have given, rulings not only by Erskine May, but also by Eric Taylor as reported in *The House of Commons At Work*, and Sir Gilbert Campion.

Mr Bateman: That's medieval time. How far back can we go?

Mr O'CONNOR: Many previous decisions are just as correct now as they were when given. One needs only to read Erskine May on the question, "What constitutes a charge?" to determine exactly what should occur. I do not intend to read all the precedents.

Mr Davies: Please do.

Mr O'CONNOR: If the member so wishes I am quite happy to read the precedents. I paraphrase what Erskine May states, in answering the question, "What constitutes a charge?" as follows—

1. Is it new and distinct expenditure? If covered by other general authorisation or Statute, then it is not governed by rules of financial procedure.
2. Must be payable out of consolidated fund or national loans fund.
3. Must be "effectively imposed"—this includes charges upon "money to be provided by Parliament".

Erskine May also points out, in page 253, that even if initiated as payable from "money to be provided by Parliament", eventually an estimate will be required and thus the Crown must recommend it.

Those references indicate that, unless a message comes from the Governor, the measure is out of order.

Mr Davies: Are you able to tell us now what the actual cost would be if the proposed legislation were introduced and passed?

Mr O'CONNOR: I can do that no more than the member can, but a cost would be involved as a result of any interest-free loan from Consolidated Revenue. Obviously if an interest-free loan is made, money is provided.

Mr Davies: But does the legislation provide for an interest-free loan?

Mr O'CONNOR: Yes.

Mr Davies: Is that for how long?

Mr O'CONNOR: The proposed legislation indicates that money would be lent and repaid, but does not indicate when it would be repaid. If the member for Victoria Park received \$100 000 from Consolidated Revenue on the condition that he paid it back, that would not indicate the money definitely would be paid back. I do not say that unkindly of the member for Victoria Park, but the example is valid.

Mr Bateman: First of all, the three organisations must provide X number of dollars to get it under way with no cost against the Crown whatsoever.

Mr O'CONNOR: The appropriation from the CRF definitely would be a drain on Government funds.

Mr Bateman: It isn't.

Mr O'CONNOR: It would be a drain on the CRF, and without doubt the legislation would be out of order. Plenty of precedents exist for that view. Those precedents were quoted amply by you, Mr Speaker, when you gave your ruling, and I indicate that we on this side of the House support that ruling.

Mr Bateman: You had better object to every other private member's Bill introduced in this place.

MR HASSELL (Cottesloe—Minister for Police and Prisons) [5.07 p.m.]: Mr Speaker—

Mr Bateman: How nonsensical have you become?

Mr O'Connor: Don't you want to abide by the law?

Mr HASSELL: I rise to support your ruling, Mr Speaker. The Premier has put substantial arguments in support of that ruling and has quoted specific authorities by which your ruling is amply supported. I will refer to the fundamental issue; that is, whether it would be lawful for the Parliament to adopt this measure. As we know, this is a constitutional Parliament—subject to a Constitution. Our powers are limited by our constitution, and by the powers lawfully conferred upon the Australian Commonwealth Parliament. Section 46 of the Constitution Acts Amendment Act deals with money Bills generally and, in particular, with the powers of the Legislative Council in regard to money Bills. Those provisions are the sort of provisions I would think the Opposition supports strongly in line with its known public views on the responsibilities of lower Houses of Parliament. Section 46(8) expresses a fundamental rule of Parliaments—fundamental to this Parliament, to the Parliament of the United King-

dom, and the Australian Commonwealth Parliament. It states—

A vote, resolution, or Bill for the appropriation of revenue or moneys shall not be passed unless for the purpose of the appropriation has in the same session been recommended by message of the Governor to the Legislative Assembly.

As I say, this is in common with other Parliaments and is reflected in the rules of the Commonwealth Constitution in which similar restrictions apply. The issue is not one which relates merely to our Standing Orders as seemed to be suggested by the member for Welshpool; it relates to the Constitution and to the lawfulness of legislation considered by this Parliament.

If we technically breach one of our Standing Orders with the knowledge and approval of the House, it cannot be said that breach is in the category of a breach of the rules by which the Parliament was established. It is not possible for us to breach the rules which established this Parliament; we cannot change—

Mr Jamieson: You have another look at section 46.

Mr HASSELL: —those rules by which we are bound unless a change is made to the Constitution.

Mr Jamieson: That is reading the section out of context.

Mr HASSELL: I do not think I am reading it out of context at all.

Mr Jamieson: I think you are.

Mr HASSELL: Mr Speaker, in respect of your ruling and section 46(8), the suggestion that an interest-free loan of moneys out of the Consolidated Revenue Fund is not an appropriation, is clearly wrong. If the member for Canning had a savings bank account in which the sum of \$1 000 was deposited, and I was in some way able to take that \$1 000 and use it for a period, albeit having some obligation to pay back the money, I would not imagine the member for Canning would seriously suggest I had not appropriated his money. That is a simple analogy which clearly shows the situation; the Bill would require an appropriation of money out of the CRF, albeit for a short period. What is proposed is not lawful in terms of the Constitution of the State, and therefore cannot be done. It is not simply a matter of our upholding your ruling, which we ought to do and have an obligation to do; it is a matter of our not acting in a way not permitted by the law of the land.

The principle upon which this law is based is inconvenient for not only members of the Opposition, but also members of the Government parties from time to time when they might be moved to propose legislation or to propose amendments to legislation which would cause a charge to be imposed on Government revenue. The principle goes deep into history; it is enshrined in our Constitution, the British Constitution, and the Constitution of our Commonwealth, because of a long held belief that taxpayers should not be subjected to a burden unless there is a need for it in terms of the governing of the State. That is an important principle, and one that ought to be upheld. Therefore I join the Premier in his support of the ruling.

Question put and a division taken with the following result—

#### Ayes 19

Mr Barnett	Mr Gordon Hill
Mr Bateman	Mr Hodge
Mr Bertram	Mr Jamieson
Mr Brian Burke	Mr McIver
Mr Terry Burke	Mr Parker
Mr Carr	Mr A. D. Taylor
Mr Davies	Mr Tonkin
Mr Evans	Mr Wilson
Mr Grill	Mr I. F. Taylor
Mr Harman	

(Teller)

#### Noes 26

Mr Blaikie	Mr Mensaros
Mr Clarko	Mr O'Connor
Mr Court	Mr Old
Mr Coyne	Mr Rushton
Mrs Craig	Mr Shalders
Mr Crane	Mr Sibson
Dr Dadour	Mr Spriggs
Mr Grayden	Mr Stephens
Mr Grewar	Mr Trethowan
Mr Hassell	Mr Tubby
Mr Herzfeld	Mr Watt
Mr Laurance	Mr Young
Mr MacKinnon	Mr Nanovich

(Teller)

#### Pairs

Ayes	Noes
Mr Pearce	Mr Sodeman
Mr Bryce	Mr P. V. Jones
Mr T. H. Jones	Mr Williams
Mr Bridge	Mr McPharlin

Question thus negatived.

### MILLSTREAM STATION ACQUISITION BILL

#### Second Reading

MR MENSAROS (Floreat—Minister for Works) [5.18 p.m.]: I move—

That the Bill be now read a second time.

This Bill seeks the powers necessary to acquire the property and assets of Millstream Station in the Pilbara on a walk-in-walk-out basis.

The Millstream aquifer is an area of vital importance representing as it does the principal source of water for the Pilbara region of the State. To protect this and the environment in which it exists, it was necessary in March of this year to resume Millstream Station which embraces this aquifer and a number of other likely water sources.

Occupation of the station property is required at the earliest possible date to allow the necessary level of protection to be developed and also to meet the legitimate needs of the owners of the station to relocate themselves on another property. This may be achieved only by our acquiring the livestock and other assets of the station on a walk-in-walk-out basis.

As this course of action is hampered by restrictions which exist in both the Public Works Act and the Land Act, specific legislation is essential to enable the action to proceed quickly and also to allow an equitable amount of compensation to be paid to the owners.

Within the limitations set by the climate of the Pilbara, livestock will be mustered and delivered to saleyards as soon as practicable, but until this is completed the property must continue to be operated as a pastoral station.

When all possible stock have been removed, control will be maintained over the Millstream environment to assist this to return to its former natural beauty.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Parker.

## **ACTS AMENDMENT (METROPOLITAN REGION TOWN PLANNING SCHEME) BILL**

### *Second Reading*

**MRS CRAIG** (Wellington—Minister for Urban Development and Town Planning) [5.21 p.m.]: I move—

That the Bill be now read a second time.

The metropolitan region is currently defined in the Town Planning and Development Act and includes the land within the limits of the districts of 26 local authorities. The area is difficult to ascertain with certainty. For example, foreshore boundaries are described variously as foreshore, shoreline, high water mark, low water mark, and mean sea level.

Also, amendments to local authority boundaries on the perimeter have the effect of altering the boundary of the metropolitan region scheme. This can create difficulties in respect of land "reserved" for a public purpose.

To overcome these difficulties, it is proposed to define the region in the Act by a metes and bounds description of boundaries. For practical purposes, the geographical limits of the region will then be able to be ascertained by reference to the maps which form part of the metropolitan region scheme. Consequential amendments are made to the Town Planning and Development Act.

The Act provides that a committee of the authority shall not enter into a contract or undertaking without the express authorisation of the authority. This precludes delegation to a committee of ongoing functions such as day-to-day land dealings and management. The intention of setting up committees with delegated powers is to enable routine business to be dealt with expeditiously. The legislation presently defeats this objective to the mutual disadvantage of the authority, landowners, and other parties with whom the authority has day-to-day business. Therefore the Act is amended to repeal this restriction on the powers of committees.

The problem of management and maintenance of land held for parks and recreation is causing considerable concern to the authority, local authorities, and potential user groups.

Pending a decision on a future management structure for regional parks, the authority has interim management and maintenance responsibilities. Consultations with the Crown Law Department indicate that whether or not the authority subsequently has any direct role in managing parks and recreation reserves, these interim responsibilities should be recognised. Legislation is therefore proposed to provide for contingency and short-term management requirements.

The functions of the authority are enlarged to include the maintenance and management of land reserved for parks and recreation and, with ministerial approval, the carrying out of such works as may be incidental to such maintenance or management or otherwise conducive to the planned use of the land for recreational purposes.

Furthermore, to facilitate management and maintenance, the authority, with ministerial approval, may enter into an agreement with any person under which that person may acquire a lease or licence or other estate or interest in any such land.

Also, the authority is authorised to apply metropolitan region improvement fund moneys to payment of expenditure incurred in the maintenance and management of land reserved under the scheme for parks and recreation or works incidental thereto.

Under the Act, the authority may make regulations for carrying out the general objects of the metropolitan region scheme. The authority has used that power once to make regulations for the preservation and maintenance of land that is owned by the authority, but is reserved under the scheme. Under these regulations, wardens are empowered to take action to prevent vandalism, dumping of rubbish, damage to fences and gates, cutting down of trees, and so on. The current maximum penalties however, are inadequate as a deterrent and it is proposed that they be increased from \$100 to \$500 with the daily penalty for a continuing offence being increased from \$10 to \$50.

At present the Act contains no provision for the authority to obtain damages. In recent prosecutions, the Crown Law Department has advised that it has been unable to move to obtain damages in the absence of statutory powers. Instances include damage to fences and gates and dumping of car bodies. Repairs and removals are a heavy charge on public funds. Therefore the Act is amended to include provisions similar to those contained in the State Energy Commission Act 1979 to the extent applicable.

In effect these provide that a court may order a person convicted to pay compensation to the authority for the cost of repairs and loss of property incurred by means of the offence.

The Act provides that after the Governor has approved an amendment, the amendment—but not including any maps—shall be published in the *Government Gazette* and the maps and plans shall be open for public inspection. It further provides that the amendment, together with the report of the authority on the submissions, shall be laid before each House of Parliament.

The Act is now amended to state that a copy of the amendment, together with a copy of the report, be laid before each House. The purpose is simply to reflect the actual procedure because, in practice, four copies of the amendment documents are made, signed, sealed, and executed so that a copy is available to be tabled simultaneously in each House.

The Act provides for the setting up of five district planning committees—one being the planning committee of the City of Perth; the other four are groups of councils referred to as group A, group B, group C, and group D. The Act is amended to refer to the groups on a geographic basis as south-west, north-west, south-east, and eastern. This change is supported by the group committees.

On the advice of Parliamentary Counsel, the section of the Act which sets out the parts into which the Act is divided is repealed. Such sections now are not included in new Acts and upon a reprint of an existing Act an arrangement is printed before the Act setting out its contents. Also, a typographical error where reference is to "Regional" rather than "Region", is corrected.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Davies.

## **MILLSTREAM STATION ACQUISITION BILL**

*Message: Appropriations*

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

## **INDUSTRY (ADVANCES) AMENDMENT BILL**

*Returned*

Bill returned from the Council without amendment.

## **ADMINISTRATION AMENDMENT BILL**

*Second Reading*

Debate resumed from 17 August.

**MR BERTRAM** (Mt. Hawthorn) [5.28 p.m.]: This Bill proposes two amendments to the Administration Act to provide, firstly, for increases to the spouse's statutory legacy and the distribution of an estate upon an intestacy, and, secondly, for the formalisation of procedural arrangements which were instituted in 1977.

The table prescribed in the existing subsection (1) of section 14 of the Act makes provision, amongst other things, for the distribution of an estate of a person who has died without making a will. In the case of a person who dies intestate, leaving a spouse and his child or children, where the net value of the intestate property exceeds \$30 000, the spouse is entitled to a statutory legacy of \$30 000 together with interest on that sum, at five per cent from the time of death until payment and, in addition, one-third of the remaining net value of the property.

Where a person dies intestate and is survived by a spouse, a parent, brother, sister, or one or more of those, without leaving any issue, the spouse is entitled to a statutory legacy of \$45 000 where the intestate property exceeds \$45 000 together with five per cent interest and, in addition, half of the remaining net value of the property.

This Bill proposes increases in the statutory legacy from \$30 000 to \$50 000 and from \$45 000 to \$75 000 respectively. This is done as a formal acknowledgement of the fall of the real value of each legacy since the amounts were last adjusted in 1977.

These adjustments were made following amendments to the principal Act in 1976. While the Government's objectives are recognised as commendable and, in principle, receive our support, its *ad hoc* approach to maintaining the real value of the legacy is less than satisfactory. In formulating the amendments the Government has ignored three fundamental issues involved in assigning the value of these legacies. They are: the base value of the legacy, the frequency with which the legacy is indexed, and the rate of interest applying to the sum of the legacy involved.

To illustrate these points, and, in particular, the Government's failure in this area, I will take the case of a person who dies intestate and is survived by a spouse and issue. I shall refer first to the question of the appropriate base. In May 1973 the Law Reform Commission submitted to the Attorney General a report headed, "Report on distribution of intestacy" in which it recommended that the statutory legacy be increased from \$10 000 to \$25 000 in the case of a spouse and issue. The object of the recommendation was to increase the legacy to ensure that the wife's share of the estate was sufficient to enable her to retain the matrimonial home.

If one turns to the debates in this Parliament in 1976 when this amending legislation was last before it, one sees that the values established then for statutory legacies were assigned in an arbitrary, non-scientific, and inadequate manner. By June 1976, the value of the legacy recommended by the Law Reform Commission in May 1973 was \$37 222, in average 1975-76 prices. The then Minister's rationale for the adoption of the existing value of \$30 000 was as follows, according to *Hansard* of 9 November 1976—

The Law Reform Commission, in a report published in May, 1973, proposed that the amount to go to the spouse should be increased from \$10 000—the figure fixed in 1965—to \$25 000. However, it is felt that, in view of the passage of time since the report was published, a more appropriate figure would presently be \$30 000 and this Bill has, therefore, trebled the amount first going to the spouse from \$10 000 to \$30 000.

The current value of the Law Reform Commission's recommended legacy is about \$68 305 in average 1981-82 prices. Despite this, the Govern-

ment proposes to increase the legacy to only \$50 000, about \$18 000 below the current value of the legacy as assessed by the Law Reform Commission in 1973. If the legacy is designed to ensure that the wife's share of the estate is sufficient for her to retain the matrimonial home, the question arises as to whether the \$50 000 now proposed is of sufficient value. The probability is that the answer is "No". One might ask how many estates exceeding \$50 000 would involve a home which is valued at more than \$50 000. The Government has failed to give appropriate consideration to this probability, and in that respect the Bill will create anomalies.

If the 1976 value of \$30 000 is taken to be the appropriate base to be indexed, the movement in prices between 1975-76 and 1981-82 should result in an increase of 83.5 per cent in the legacy, bringing it from \$30 000 to about \$55 050. The legislation before us proposes an increase of only 66.7 per cent in the value—from \$30 000 to \$50 000. This is about \$5 000 below the value produced by applying the increase in the Consumer Price Index between 1975-76 and 1981-82 to the base of \$30 000. There is no trick involved in these figures. They are derived from the data on page 10 in the latest issue of the Australian Bureau of Statistics publication *Consumer Price Index* June quarter 1982. It is interesting to note that the Minister said in his second reading speech that the increases proposed were "based on annual increases in the Consumer Price Index as supplied by the Bureau of Statistics".

That is not the case. I have quoted the actual figures, and the figures in the Bill are not based on the Consumer Price Index at all. This Act has been amended to adjust the statutory legacies on four occasions—in 1949, 1953, 1965, and 1976. This Bill is the fifth adjustment in 33 years. In earlier times, long gaps between adjustments may have been appropriate because price inflation was comparatively low. For example, in the six years to 1972-73, prices rose by only 4.55 per cent per annum. In the last six years since 1975-76, prices in Western Australia have increased by an average 13.92 per cent per annum. Clearly, with that inflation and no evidence of its stopping in the foreseeable future, it can be seen how quickly the legacies are eroded. If one assumed a constant rate of inflation of 10 per cent per annum for the next six years, by 1988-89 the real value of the legacy proposed in this Bill—\$50 000—would be \$11 400 in 1981-82 prices. It would be 22.8 per cent of the proposed value.

In view of those statistics there is a real need to build an automatic procedure into this Act so people will not be penalised for any reason other



than the default of this Parliament in discharging its responsibilities. Some people would take the view that the automatic gearing of the statutory legacy should be done by regulation. I am not sure that that would be a proper way to deal with it. It has been done in some circumstances—the recent amendment to the Road Traffic Act being one—but that was not a comparable situation. This is an important matter; Parliament is giving statutory legacies to people where intestate estates are concerned. The mode of gearing up to meet inflation needs to be by Statute rather than by regulation. It certainly needs to be done on a regular basis. It simply is not fair that we are making now the first adjustment since 1976. It is grossly unfair to the people who are affected—the beneficiaries.

The Attorney General said in another place that he would keep the matter under active consideration. That is not good enough. I have wondered for a long time about the difference between “consideration” and “active consideration”. I still have not worked it out, but what is required here is not mere “consideration” which usually means nothing is happening at all, but a positive procedure and amendment built into the Act to meet the changing situation. We should build indexation for these statutory bequests into the Act.

#### *Leave to Continue Speech*

Mr BERTRAM: I seek leave to continue my speech at a later stage of the sitting.

Leave granted.

Debate thus adjourned.

### QUESTIONS

Questions were taken at this stage.

*Sitting suspended from 6.17 to 7.30 p.m.*

### ADMINISTRATION AMENDMENT BILL

#### *Second Reading*

Debate resumed from an earlier stage of the sitting.

MR BERTRAM (Mr. Hawthorn) [7.30 p.m.]: Earlier today I made the point that there are several difficulties in this measure—

Mr Davies: You made those points well.

Mr BERTRAM: —in regard to its omission to do anything about the interest currently payable on what is referred to as a statutory legacy. The Act provides in a specific case for a statutory legacy of \$30 000 to be paid together with interest at the rate of five per cent from the time of death of

the intestate person. One can only imagine that the reason that interest is provided is to protect the widow—it is usually the widow who survives—from the depreciation of her statutory legacy which would ordinarily occur because of the skyrocketing inflation rate. Five per cent may have been adequate years ago, but it certainly is not these days because the rate of inflation is going along at a very different bat. Because this Bill does not remedy that situation, instead of a widow being entitled to the full amount of the statutory legacy, she will receive only a portion of it. That seems to be most unfair, to put it mildly, and it indicates an inconsistency.

Before this Chamber now there is an amendment of the Supreme Court Bill. I am not certain of its precise purpose, but I think at least one of its objectives is to give to various courts the power to fix at the court's discretion interest rates to be invoked upon judgments given by those courts. That seems to me to be eminently reasonable and it faces up to the reality of the situation.

Here we have another Bill with an interest component which was designed to protect the statutory bequest or legacy from depreciation brought about by inflation, yet nothing is done about it. The Bills are not coming in at great intervals as both of these Bills are before the Assembly right now and are completely out of kilter with each other, which is an extraordinary state of affairs.

Another reason the Supreme Court Act is being amended is because it has become painfully apparent—it has been for years, actually—that people owing money adopt the practice of just not paying their debts and forcing the creditors to institute legal proceedings and then delaying those proceedings. There are many devices by which defendants in court actions can grind the cases right down to a halt and cause unnecessary delays, and while all that is happening, of course, the defendant has the money in his own pocket and is no doubt using it to his own advantage by investing it at the extraordinary rates of interest which apply these days; then, only at the last minute, when it suits him, he pays the creditor the money owed, in some cases months, if not years, before.

With a view to defeating that manoeuvre, the Supreme Court Amendment Bill is now before us to enable judges and magistrates to apply rates of interest to their judgments at their discretion and discourage these defendants from such practices.

In this case, with the provision of a five per cent interest rate remaining—due to the fact that the Government has done nothing about it—there is no inbuilt incentive to the administrator to wind

up an estate and make the distribution; whereas if the figure was increased substantially to some realistic figure, an administrator would have excellent reasons, certainly as between the widow and the issue of a marriage, to wind the estate up quickly. Unfortunately, no incentive of that kind is being provided in this Bill.

It is a very obvious omission which has the ring of being clearly an oversight or mistake. The Opposition is of the view that while this Bill already has wended its way through the other place and has come here, it is not too late to do what is fair and just, not necessarily at the initiative of the Opposition, but because the Government itself recently acknowledged the fact that something must be done in respect of keeping interest rates up to date with the present rates of interest applying, and also that something needs to be done through interest rates to provide incentives to people to pay out money owed, whether those people are creditors, beneficiaries, or persons entitled to money in the case of an intestate deceased's estate.

The share that will go to a widow by way of statutory legacy is falling short by something like \$18 000 of what she should be receiving, and the neglect of adequate provision of interest is another indication of discrimination against women. I do not know what the statistics are, but there is a fair bit of evidence around that it is usually the widow or wife who survives, so the impact of this faulty legislation will be borne, not so much by the males of the community, but fairly clearly by the females. Discrimination of a real and significant nature exists in this measure.

In due course, the Opposition will move in Committee for the statutory legacy referred to earlier to be increased significantly.

**MR RUSHTON** (Dale—Deputy Premier) [7.40 p.m.]: I thank the Opposition for its support of this legislation in both Houses.

The Bill is progressive and upgrades some of the needs which have occurred in the past in respect of the estates of people who have died without making wills. The second reading speech indicated the changes which are taking place.

The member for Mt. Hawthorn has given a couple of his own opinions, which he is perfectly entitled to do, but the Government believes this has been soundly based. It has been carefully considered and certainly upgrades the Statute. It looks after the people having the greatest need in this case.

I repeat my thanks to the member for Mt. Hawthorn and the Opposition for their general support of the legislation.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

### *In Committee*

The Deputy Chairman of Committees (Mr Tubby) in the Chair; Mr Rushton (Deputy Premier) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Section 14 amended—

**Mr BERTRAM**: I move an amendment—

Page 2, line 12—Delete the passage “\$50 000” and substitute the passage “\$60 000”.

As intimated in the second reading debate, the Administration Act of this State provides for the manner in which the deceased's estate will be divided up amongst entitled people in the case where the deceased person has left no will. Some people believe that when a person dies without making a will the Government comes in and gobbles up the whole estate.

Of course, we know that is not the case at all. On the contrary, the Administration Act spells out who will have the benefit of a particular intestate estate and that depends upon the people who survive the deceased person.

As I mentioned earlier, the current position is that where a person dies intestate and leaves a spouse and/or children and the estate exceeds the value of \$30 000, the spouse is entitled to \$30 000 plus interest at a nominal rate of five per cent on that amount from the time of death until the time of payment. The amount of \$30 000 was set in 1976 and has been operable since 1977.

The Opposition is saying, in simple terms, that to do what the Government is proposing—namely, to increase the \$30 000 to \$50 000—simply is not fair and, in fact, is unreasonable and it would appear as though it has come about as a result of a mistake by the Government. If this is correct, we simply ask the Government to correct that mistake because it is not too late to do so.

The Minister, in his second reading speech, said—

The calculations increasing the statutory legacies from \$30 000 to \$50 000 and from \$45 000 to \$75 000 are based on annual increases in the Consumer Price Index as supplied by the Bureau of Statistics.

I have a copy of those particular statistics and I have not been able to make the same calculation as has the Government. I ask the Minister

whether he could identify for me the actual figures. I presume he thinks they are right.

The figures I have before me at June 1982 show the Consumer Price Index movement at 83.5 per cent which would give a figure of \$68 000 instead of \$50 000. That is a sizeable difference. The Government's figure implies a movement of 66.67 per cent. If a mistake has been made, now is the time to rectify it.

The Opposition is perfectly happy to proceed on the basis the Government has outlined; that is, to bring the money up to real values consistent with the movement in the Consumer Price Index. However, when we try to reconcile the figure, we find there is a gap in percentage terms of about 14 per cent and, in money terms, of about \$18 000. That was the position as at 30 June. By the time this Bill is proclaimed and comes into effect—and with inflation continuing at its present rate—the discrepancy will be greater.

It is on this basis that the Opposition will move an amendment to bring the amount to a more realistic figure of \$60 000.

If the Minister is unable to advise the exact figures, I suggest the Committee stage of this Bill be deferred until the figures can be made available. The calculations made by the Opposition are accurate and have not been made up. I ask whether the Government will do something about it.

Mr Rushton: I will answer you in a second. The Government has given full consideration to the point you are raising. It has deliberated upon it in great depth and confirms the figures it has in the legislation.

Mr BERTRAM: Is the Minister saying that the figures in the legislation truly reflect what he said in his second reading speech? The Minister said the figures were consistent with the increases in the Consumer Price Index.

Mr Rushton: They were consistent with the facts taken into consideration.

Mr BERTRAM: Were they consistent with the facts set forth in the Consumer Price Index? The Opposition does not mind if the Government alters the Bill—the Government has that right—but at the moment it is hedging. By inference, what the Government has done is to introduce other unknown factors and it is now saying there is a general hotchpotch of information, the details of which are not currently before the Chamber. Having regard to that information, the Government has increased the figure from \$30 000 to \$50 000. I refer the Minister again to what he said in his second reading speech, which I quoted earlier.

The figure the Government has given does not represent a true calculation by way of adjustment of the Consumer Price Index. There really is not much point in our prolonging the argument. The Committee, as usual, is malfunctioning. The Opposition is of the opinion that the consideration given by the Government in establishing this figure of \$50 000 was different from the consideration the Minister set forth in his second reading speech. The Opposition can do no more than protest, as it has done in the past, that the Committee stage of Bills is not being dealt with in the proper manner.

Mr RUSHTON: The member for Mt. Hawthorn has made a case concerning a variation of the figures. I have indicated to him that the Government has given full consideration to the figures he has mentioned. The figures were reached after study of the recommendations made in the Law Reform Commission's report. The Government has given adequate consideration to this matter and stands by the figures in the legislation and declines to accept the points put forward by the member for Mt. Hawthorn.

Mr Davies: You never answer an argument.

Mr BERTRAM: It is worth noting that there are 55 members of this Committee, 54 of whom happen to be males. It is a reasonable assumption that if the figures were the other way around we would not have this Bill before the Chamber in this form. From my experience, the people who have come to me with problems involving intestate estates, with relatively few exceptions, are widows. It is my belief, without giving precise statistics, that the effect of this unsatisfactory legislation is to discriminate against and hurt women.

I understand that the Government is giving consideration to establishing a committee to determine whether or not the Premier should have a woman adviser on women's affairs. Because of the maltreatment being administered to women under the provisions of this Bill, the Government should set up such a committee since it is obvious that such an adviser is needed. Certainly the Government needs advice in respect of matters concerning women.

Mr Rushton: There is nothing in the legislation to discriminate against women. You are reading that into it.

Mr BERTRAM: This Bill discriminates against women.

Mr Rushton: That is not accurate.

Mr BERTRAM: I have been handling deceased's estates for approximately 40 years and it has become fairly obvious to me that the people most hurt by this type of measure are women. So

for the next three to five years, women who should be receiving something like \$68 000 from a deceased estate will be receiving only \$50 000. That constitutes a very real discrimination against women, and something to be guarded against if at all possible, and it is quite possible to guard against it.

I remind the Committee that the parent Act was last amended in 1976. I gave some figures earlier in the evening about the depreciation in money values as a result of the extraordinary inflation which we are experiencing and which the Government seems to be powerless to stop. If one assumes a constant rate of inflation of 10 per cent per annum over the next six years, one realises that the real value of the legacy proposed in the Bill—that is, \$50 000 which we say should be \$68 000—will be \$11 400 on today's values. So we say that at present we are behind by \$18 000. In another year's time we will be behind by \$25 000, and so it goes on.

All the Government has said is that it is giving consideration to the need for a system to adjust this figure readily. That is all it is doing—giving consideration to it. It has considered the matter from 1976 to 1982 and all it has to show for it is the Bill before us. By 1988-89, on present values, the legacy will be worth \$11 400; that is to say, 22.8 per cent of the value proposed. That is an extraordinary diminution in the value of the statutory legacy.

This will be just another law which will be out of step with justice—an increasingly rare commodity today. Some members of Parliament may not comprehend this fact, but they are here to try to bridge the extraordinary gulf which exists between the laws of the State, on the one hand, and justice, on the other. Here we have a chance to reconcile justice with the law. A statistically solid case has been put up and the Minister has just disregarded it. He gave us a thoroughly inadequate answer to the case we put up.

Mr Davies: I do not think he understood it.

Mr BERTRAM: The Opposition is saying that we should now report progress on this Bill so that the matter may be considered further. Failing that, we again put forward our viewpoint that women will get a very rough deal under this legislation, not only regarding the statutory legacy, but also regarding the interest rates. It is an unfair measure, and, with the passage of each day, the position of women who will be affected by it will become even worse. We can only hope that the Government will stop this business of giving consideration to the proposition of indexing the payments regularly and get on with implementing

legislation which will achieve this end. It should not be very difficult to formulate such legislation.

Mr DAVIES: I was rather amazed that the Minister, acting on behalf of the Minister in another place, has not put forward a solid argument against adjusting the rates in the manner suggested by the member for Mt. Hawthorn. If the Minister for Transport claims that the matter was considered in another place and agreed to by the Opposition, he is quite correct. We do not deny that, but when the matter was discussed in another place we had not had time to audit properly the figures put forward by the Government. When we looked at the matter more closely, we found that the figures were totally unrealistic. If the Government wants to do what it is claiming it wants to do, it should be prepared to accept the amendment moved by the member for Mt. Hawthorn.

In moving the amendment the member gave a very long dissertation setting out the logic behind the amendment. Unlike the Minister's replies to the Dorothy Dix questions put forward by Government members to which he gives very long answers which bore us to tears, on this occasion the Minister jumped to his feet and said that the Government had given the matter proper consideration. He thought the figures were correct and, therefore, he would not even have the amendment considered. This is a strange way for a Minister to act. Obviously the Government has not carried out its research correctly, and on this occasion the Opposition has been able to show quite clearly that the legislation will not do what the Government claims it will. Apparently it will perpetuate, in a milder form, the discrimination which exists in the parent Act, this discrimination which, as the member for Mt. Hawthorn said, is mainly against widows.

The measure before us is not earth-shattering legislation, but it is a measure with which one would think the Government would want to do its best. The Opposition has demonstrated that the Bill contains an error and the Government quite easily could have moved to report progress so that it could have the matter investigated. No member of Parliament could complain that he has been overworked this session of Parliament. Already I have been able to thank the Government on several occasions for extending the period for private members' business. The notice paper contains more private members' business than Government business.

Mr Nanovich: You missed out last Wednesday—you did not have anything to carry on with.

Mr DAVIES: We had plenty to go on with, but we thought it best to close down after a rather shameful ruling had been given by the person in the Chair.

Mr Nanovich: It was a correct ruling.

The DEPUTY CHAIRMAN (Mr Tubby): Would the member please confine his remarks to the amendment.

Mr DAVIES: I certainly will, but I was merely replying to an interjection made by the member for Whitford who has a very short memory and who has now left his chair so that I will not be able to debate the matter further with him. On that occasion the Government shamefacedly adjourned the Chamber in a hurry. The Opposition was quite prepared to sit until midnight or later if necessary.

The point I am making is that this amendment is a very important one. The Government does not have a great deal of business on the notice paper, so it should be prepared to take the opportunity put forward by the member for Mt. Hawthorn to move to report progress so that it can have its experts look at the amendment. The figures quoted are correct; it is the Government that is wrong. If we proceed with the measure now, we will need another amending Bill in a relatively short time to amend the figure along the lines suggested. Let us grasp the opportunity before us. Let us do something progressive.

We certainly are not about to run out of business before the end of the week, because we have enough on the notice paper to keep us going. If it is likely we will not sit on Thursday, at least this Bill could stay until after the parliamentary recess. As the member for Mt. Hawthorn has said, it has been under consideration for many years now and another fortnight will not make any difference.

Amendment put and a division taken with the following result—

#### Ayes 18

Mr Barnett	Mr Grill
Mr Bateman	Mr Gordon Hill
Mr Bertram	Mr Hodge
Mr Bridge	Mr Jamieson
Mr Brian Burke	Mr Parker
Mr Terry Burke	Mr A. D. Taylor
Mr Carr	Mr Tonkin
Mr Davies	Mr Wilson
Mr Evans	Mr I. F. Taylor

(Teller)

#### Noes 23

Mr Blaikie	Mr McPharlin
Mr Clarko	Mr Mensaros
Mr Court	Mr O'Connor
Mr Coyne	Mr Old
Mrs Craig	Mr Rushton
Mr Crane	Mr Shalders
Mr Grayden	Mr Sibson
Mr Grewar	Mr Spriggs
Mr Hassell	Mr Trethowan
Mr Herzfeld	Mr Watt
Mr Laurance	Mr Nanovich
Mr MacKinnon	

(Teller)

#### Pairs

Ayes	Noes
Mr Pearce	Mr Sodeman
Mr T. H. Jones	Mr Williams
Mr Bryce	Mr P. V. Jones
Mr Harman	Mr Young
Mr McIver	Dr Dadour

Amendment thus negatived.

Mr BERTRAM: It had been the intention of the Opposition, if the amendment had been carried, to make consequent amendments; for example, at line 6 to delete the existing proposed \$75 000 and substitute the amount of \$90 000. The justification for that intention was the same as that for the previous amendment which was not carried. I have mentioned this so that it will be on record that we had proposed to make those amendments consistent and increase the statutory legacy from \$75 000 to \$90 000.

It would be quite outrageous to propose an amendment now because it would throw the whole Bill out of kilter. That being the case, the Opposition will not persist with its further amendments.

Clause put and passed.

Title put and passed.

#### Report

Bill reported, without amendment, and the report adopted.

#### Third Reading

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Rushton (Deputy Premier), and passed.

#### SUPREME COURT AMENDMENT BILL

##### Second Reading

Debate resumed from 17 August.

MR GRILL (Yilgarn-Dundas) [8.18 p.m.]: This piece of legislation arises out of comments made by the Chief Justice in 1980 when he indicated roughly that it was good business to force creditors into court to collect their debts and what

the court system really was doing was providing to the unscrupulous a means of getting interest-free loans.

The problem has been compounded by high current rates of interest and those two factors coming together have meant that something needed to be done about this question. The present situation in respect of the law is that in certain circumstances a judgment can have interest added to it. The circumstances are quite limited and the rate of interest that can be paid or charged is eight per cent; although, there seems to be some contradiction there because I have seen legislation which mentions six per cent.

The object of this legislation is to give to the courts a discretion to grant interest on debts in a wide range of circumstances. Those circumstances have not been outlined fully because they will be the subject of a Supreme Court ruling made by the judges in due course.

It is sufficient to say that we believe this is a good piece of legislation and it is supported by the Opposition.

**MR RUSHTON** (Dale—Deputy Premier) [8.20 p.m.]: I thank the member for Yilgarn-Dundas for his remarks, and the Opposition for its support of the Bill. Obviously the member is fully aware of the advantages of the legislation. It has been debated fairly fully in another place.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Rushton (Deputy Premier), and passed.

#### **WORKERS' COMPENSATION SUPPLEMENTATION FUND AMENDMENT BILL**

*Second Reading*

Debate resumed from 17 August.

**MR PARKER** (Fremantle) [8.23 p.m.]: This Bill is the third in a series brought to Parliament by the Government to correct deficiencies in the original Workers' Compensation Supplementation Fund Act which was introduced in 1980. The Act which this Bill seeks to amend was designed to

overcome problems arising from the collapse of the Palmdale insurance group, to provide employers with protection, and employees with opportunity for workers' compensation. However, the situation has developed that non-workers' compensation items—questions of general negligence—are not covered by the existing Act, and this Bill seeks to remedy that deficiency. It is in line with the philosophy of the legislation which the Labor Party supported, although with some criticisms, when it was before the House in 1980.

We support the Bill.

**MR O'CONNOR** (Mt. Lawley—Premier) [8.24 p.m.]: I thank the Opposition for its support of this Bill. There were not deficiencies in the legislation as the member for Fremantle said, but points arose at a later stage which were not anticipated by the Government or the Opposition, and we have moved to rectify them. It has come to our notice that some people affected by the collapse of Palmdale, because of private action and personal liability cases against them, may go broke. It may place some workers in a position where they will not be paid out in full.

Mr Parker: That is why we support the legislation.

**MR O'CONNOR**: These issues would be supported by all members, and I thank the Opposition for its support.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Connor (Premier), and passed.

*House adjourned at 8.29 p.m.*

#### **QUESTIONS ON NOTICE TIMBER**

*Karri: Cutting Level*

1134. **Mr EVANS**, to the Minister for Forests:

What is the level of general purpose karri sawlogs which will be permitted in each of the following years—

- (a) 1987;
- (b) 1988;
- (c) 1989?

Mr LAURANCE replied:

- (a) 1987—177 000 cubic metres;
- (b) 1988—145 000 cubic metres;
- (c) 1989—145 000 cubic metres.

The above estimates are approximations only as they extend beyond the current planning period.

## TRANSPORT: BUSES

### *Sky Bus*

1135. Mr McIVER, to the Minister for Transport:

- (1) On what grounds was Sky Bus given a licence to convey passengers from Perth airport to city hotels and other centres to the detriment of taxi operators in Western Australia?
- (2) Will he tell me the owners of this company and the principal executives of the firm?
- (3) Is the Sky Bus firm permitted to personally solicit patrons who require transport from the airport when taxi operators are denied this privilege?

Mr RUSHTON replied:

- (1) A licence to operate this service was granted on the grounds that the overall needs of the general public requiring transport from the airport required an alternative form of transport, at a different cost, as against the specialised form of transport provided by the taxi industry.

In addition, at the time the licence was granted Trans-Australia Airlines had announced its intention of withdrawing its bus service and the MTT operate a limited type of service for this area.

The member would be aware also that Ansett Airlines of Australia has since announced its intention of withdrawing its bus service which, in effect, will leave the Sky Bus operation as the only regular and frequent bus operation for the transport of passengers between the airport and the city.

- (2) The only information I have regarding Sky Bus is taken from the omnibus licence issued under the Transport Act which shows the licensee as Mr Robert Francis Keirle, trading as Airport Hotel Airport.

- (3) There is no regulation under the Western Australia Transport Act which would prohibit Sky Bus from soliciting for patronage. It must be borne in mind that the bus operates from Commonwealth property.

## ROAD

### *Nicholson Road*

1136. Mr BATEMAN, to the Minister for Transport:

- (1) Is he aware the Western Australian Prison Officers' Union of Workers has appealed to the Gosnells City Council regarding the condition of Nicholson Road going north past the Canning Vale Prison to Birnham Road in Canning Vale?
- (2) Is he further aware that a prison officer was involved in a road accident at the corner of Warton and Nicholson Roads, brought about by the condition of the road?
- (3) Is he also aware that in the past few weeks the suspension system of three vehicles has been damaged and a large stone was thrown through the windscreen of a car narrowly missing the driver on this particular section of the road?
- (4) If the answers to (1) to (3) are "No", will he request his staff to contact the WA Prison Officers' Union of Workers for confirmation of these accidents, plus many others brought about by the condition of this section of road?
- (5) In view of (1) to (3), will he insist on a meeting with the Canning City Council and the Gosnells City Council to resolve this situation and have the road upgraded to a standard of safety for all vehicular traffic?
- (6) If not, why not?

Mr RUSHTON replied:

- (1) to (6) The care, control and management of Nicholson Road north of Warton Road is shared by the Gosnells and Canning City Councils. The responsibility for programming and carrying out improvement works therefore lies with these local authorities.

Local authorities are able to decide the priorities for expenditure on their roads. I understand that liaison is being maintained between the councils and further that the Canning City Council is to spend \$110 000 in the current year between Clifton and Warton Roads.

## EDUCATION

### *Class Sizes: Staffing Policy*

1137. Mr COWAN, to the Minister for Education:

If the department does not keep statistical data about class sizes in schools, how is it able to determine whether its primary school staffing policy is adhered to, particularly the policy relating to the maximum average class size?

Mr CLARKO replied:

School principals are aware of departmental policies in relation to class organisation and structure schools in terms of these policies. Departmental superintendents monitor the situation in each school.

## EDUCATION: HIGH SCHOOLS

### *Driver Education Programme*

1138. Mr COWAN, to the Minister for Education:

- (1) What action has the Government taken to provide students of the Merredin District High School with a driver education programme?
- (2) How many high schools had the 1981 driver education programme discontinued?
- (3) How many of those schools have been able to find a suitable alternative?

Mr CLARKO replied:

- (1) The director general has approved driver education being reinstated at Merredin Senior High School and has encouraged local support.  
The scheme at Merredin Senior High School will be entirely self-supporting.
- (2) 66.
- (3) Six.

## RAILWAYS: STATIONS

### *Staff*

1139. Mr COWAN, to the Minister for Transport:

- (1) What are the present railway station staff numbers in the following towns—
  - (a) Merredin;
  - (b) Kellerberrin;
  - (c) Mukinbudin;
  - (d) Bruce Rock;
  - (e) Naremben;
  - (f) Corrigin;
  - (g) Kondinin?
- (2) (a) Will staff numbers at any of these stations be reduced;
- (b) if so, at what stations and when?

Mr RUSHTON replied:

- (1) (a) Three;
- (b) one;
- (c) one;
- (d) one;
- (e) one;
- (f) one;
- (g) one;
- (2) (a) and (b) Staff requirements at all stations throughout the Westrail network are under continual review but there are no current proposals to withdraw people from the stations referred to in (1).

## NATURAL DISASTER: FLOOD

### *Corrigin and Merredin*

1140. Mr COWAN, to the Minister for Works:

- (1) Has the department given an undertaking that, in conjunction with the Main Roads Department, Westrail, and the Corrigin Shire Council, it would survey the Corrigin town and prepare plans to reduce the risk of flood damage in that town?
- (2) When will the survey commence?
- (3) After serious flooding in the town of Merredin in February 1979, did the department conduct a survey of that town and prepare plans for improvements to the town drainage system?
- (4) When was the survey commenced and when were the plans completed?
- (5) What was the cost of the survey and planning?

Mr MENSAROS replied:

- (1) The Public Works Department gave an undertaking that it would investigate flood problems in Corrigin and would prepare a report incorporating proposals to mitigate flood effects.



- (2) The report has been completed and forwarded to Westrail and Main Roads Department for comment prior to forwarding to the shire.
- (3) The Public Works Department conducted a survey in Merredin and prepared plans of proposals to improve flood problems in the town.
- (4) The report incorporating the initial survey and investigations was completed in August 1979. There has been a continuing review and refinement of options since that time and a summary report has recently been sent to the shire.
- (5) The costs of survey and planning comprise a substantial component of internal staff costs which are not costed separately.

## FISHERIES

### *Taiwanese Vessels: Quotas*

1141. Mr COWAN, to the Minister for Primary Industry:

- (1) With regard to Taiwanese fishing vessels engaged in—
  - (a) pair trawling; or
  - (b) gill netting;
 are quotas imposed on the total overall catch or a per vessel basis?
- (2) What are the annual quotas for—
  - (a) shark;
  - (b) Spanish mackerel;
  - (c) bream;
  - (d) snapper;
  - (e) emperor?
- (3) When were quotas first applied and what has been the quota in each year of operation?
- (4) If maximum sustainable yields of fish species have not been assessed, how does the department determine quotas?
- (5) Are Australian observers stationed on board foreign fishing vessels?
- (6) How does the department confirm the accuracy of the reported catch taken by foreign vessels?
- (7) (a) Are licences issued to foreign fishing vessels;
- (b) are fees payable by vessels granted a licence; and
- (c) if so, what are the fees?

Mr OLD replied:

- (1) Quotas are imposed on the total overall catch for each fishing method by the Commonwealth Minister for Primary Industry.
- (2) Quotas do not apply to individual species of fish.
- (3) November 1979.
 

	Pair Trawling	Gill Netting
1979-80	27 500 tonnes	7 000 tonnes
1980-81	27 500 tonnes	7 000 tonnes
1981-82	20 000 tonnes	6 000 tonnes to date
- (4) The Commonwealth Minister determines quotas on a conservative basis from the information available.
- (5) No, but observation is carried out by boardings from Australian seagoing vessels.
- (6) See (5) together with inspections in port.
- (7) (a) Yes;
- (b) yes;
- (c) licence fee of \$35 per metre for the boat and \$20 per crewman actually engaged in fishing, plus an access fee of \$920 000 for pair trawling vessels and \$275 200 for gill netting vessels.

## RAILWAYS

### *Buses*

1142. Mr COWAN, to the Minister for Transport:

- (1) What are the schedules for Westrail road bus services for the towns of—
  - (a) Corrigin;
  - (b) Kondinin;
  - (c) Bruce Rock;
  - (d) Narembeen; and
  - (e) Hyden?
- (2) Are road bus services to any of these towns being reviewed?
- (3) Is it proposed to reduce any of the services or alter the present schedules to any of the towns?
- (4) If "Yes" to (3), when?

Mr RUSHTON replied:

- (1) A copy of Westrail's timetable for road coach services to and from the towns in question is tabled today.
- (2) to (4) Road coach services are being reviewed at present by Westrail and the Transport Commission. However, the review is not yet completed.

*The paper was tabled (see paper No. 372).*

## FUEL AND ENERGY: ELECTRICITY

### *Charges: Rebates*

1143. Mr WILSON, to the Minister for Fuel and Energy:

Referring to the case of a five-year-old child who suffers from cerebral palsy, who is completely immobile, and in a hip cast as she has two dislocated hips and due to related pain needs a heater throughout the night in winter to relieve her discomfort, in view of the high power bills incurred in such cases for people on low incomes, what consideration has been given to introducing a rebate for consumers with health problems whose special needs result in continuing high accounts?

Mr P. V. JONES replied:

The State Energy Commission is very concerned and sympathetic about such cases.

The matter has been referred to the Minister for Community Welfare to ascertain if any additional assistance can be given.

## HOUSING: PENSIONERS

### *Rent Increases*

1144. Mr WILSON, to the Minister for Housing:

- (1) Can he confirm that once an age pensioner occupying State Housing Commission accommodation reaches the age of 75 years, he or she is no longer subject to rent increases?
- (2) If "No", what consideration has been given to introducing such a concession?

Mr SHALDERS replied:

- (1) No.
- (2) It is considered that income rather than age is a more appropriate factor to be taken into account when determining pensioner rentals.

## HOUSING: PENSIONERS

### *Rent Increases*

1145. Mr WILSON, to the Minister for Housing:

With respect to the increases in pension rates announced in the Federal Budget and due to apply from November this year, can he say whether or not these in-

creases will result in increases in rent for pensioner tenants, and if so, what will be the measure of such increases in rent?

Mr SHALDERS replied:

Increases in pension rates recently announced will not be considered until next rental and rebate review due July 1983.

## HOUSING: PENSIONERS

### *Compensation Payments and Disability Pensions*

1146. Mr WILSON, to the Minister for Housing:

- (1) Is he aware of the apparent inconsistency between the practice of the Commonwealth Government which does not take into account veterans, disability pensions or compensation payments to former mineworkers as taxable income and that of the State Housing Commission which includes such benefits in assessing pensioners as eligible for accommodation assistance or for rental rebates?
- (2) Is he prepared to review the practice adopted by the State Housing Commission on the basis that the supplementary income concerned has been specially granted in recognition of a disability incurred in war service or rigorous work conditions as a means of making up for the resultant hardship?
- (3) If "No" to (2), why not?

Mr SHALDERS replied:

- (1) It is not considered appropriate for Commonwealth practices regarding income for tax purposes to be a determining factor in respect to eligibility for assistance with commission accommodation or rental rebates.
- (2) No.
- (3) It is considered that for the purposes of assessing rebated rental all income into the household should be considered.

## FUEL AND ENERGY: ELECTRICITY

### *Disconnection of Supply*

1147. Mr WILSON, to the Minister for Fuel and Energy:

- (1) How many disconnections of electricity supply were effected for non-payment of accounts in each of the months from July 1981 to, and including, July 1982?

- (2) How many disconnections have there been to date in August?

Mr P. V. JONES replied:

- (1) Disconnections for non-payment—metropolitan area only. Separate records are not maintained for the country area.

1981—

July—603  
August—564  
September—1 114  
October—932  
November—901  
December—497

1982—

January—783  
February—694  
March—873  
April—466  
May—777  
June—561  
July—786.

- (2) August to date—336.

I am advised that approximately 90 per cent of the disconnections for non-payment of accounts are reconnected within 24 hours. Of the remainder, apparently about two per cent are actual hardship cases who are disconnected only after all other avenues have been pursued.

### SMALL BUSINESSES

#### *Private Residences*

1148. Mr WILSON, to the Minister for Industrial, Commercial and Regional Development:

- (1) Is he aware of the apparently unfair advantage enjoyed by people who operate businesses from private residences without the high overhead costs of high rents and utility charges incurred by retailers operating from registered commercial and business premises?
- (2) Is he prepared to liaise with his colleagues, the Minister for Labour and Industry and the Attorney General, to ensure that in the administration of the Factories and Shops Act and the registration of business names, the operations of genuine retailers who are prepared to establish themselves in proper commercial premises to trade legitimately, are not disadvantaged?

Mr MacKINNON replied:

- (1) I am aware that some businesses are operated from private residences and that, in some instances, local council approval has been obtained.

These activities are covered by a variety of legislation including Factories and Shops Act, Local Government Act, Town Planning and Development Act, and the Health Act.

- (2) This is the type of matter which the Government regulation review committee was established to consider.

I would suggest the member should provide specific details about this subject direct to that committee for its consideration and recommendation to the Government.

### SMALL BUSINESSES

#### *Private Residences*

1149. Mr WILSON, to the Premier:

- (1) Is he aware that it is possible for a person to operate a business from a private residence simply by registering a business name at a cost of \$10 and without coming under the regulations of the Factories and Shops Act?
- (2) In view of the apparently unfair advantages that this situation gives to such operators over genuine retailers who must comply with the regulations and pay the high costs of rent and utility charges incurred in operating from registered commercial premises, is he prepared to review the administration of the two Acts concerned to ensure that protection is given to legitimate operators against such competition, and to ensure that the Department of Labour and Industry and the Attorney General's department work more closely together to cover any loopholes that appear to exist in the supervision of commercial operators working from private residences?
- (3) If not, why not?

Mr O'CONNOR replied:

- (1) Any person operating in the business of a factory, shop, or warehouse from a private residence in accordance with local authority approval is required to register the premises and conform with other requirements of the Factories and Shops Act.

- (2) The legislation appropriate to the registration of business names is administered in the Attorney General's department. The legislation administered in the Department of Labour and Industry serves a different function and the registration of a business name is not related to the registration requirements under the Factories and Shops Act.

- (3) Answered by (2).

### FRUIT FLY

#### Carnarvon

1150. Mr JAMIESON, to the Minister for Agriculture:

- (1) What has the latest assessment of the biological control of fruit fly in the Carnarvon area indicated?
- (2) Have any other areas in the State had sterilised male fruit fly released as a control measure?
- (3) Have any other kinds of biological control of Mediterranean fruit fly been attempted in this State?
- (4) (a) Are there any other known control measures that have had success in other parts of the world;  
(b) if so, in what form are such controls used?

Mr OLD replied:

- (1) That a combination of sterile fruit fly releases and judicious application of baits and sprays will reduce Mediterranean fruit fly infestations in Carnarvon to lower levels than is possible with chemical control alone. The aim of the trial programme is to eradicate fruit fly from Carnarvon using this method.
- (2) No. This depends on the outcome of the Carnarvon trial and assessed cost, practicality, and economic benefits.
- (3) Yes. There have been a number of wasp parasite releases in Western Australia for the biological control of fruit fly. None of the releases has been a success.
- (4) (a) Yes;

- (b) the application of chemical baits and sprays to fruit trees is a world-wide method of control and is used in Western Australia against fruit fly. If eradication is required the method must be greatly intensified and supplemented with fruit strip-ping, fumigation, and strict quarantine. The sterile fruit fly release method being practised at Carnarvon is regarded as a technique which could make eradication of fruit fly in Western Australia feasible.

### "STATE REPORT"

#### Conflicting Statements

1151. Mr BRIAN BURKE, to the Premier:

- (1) Can he explain how, in the 12 July issue of *State Report*, productivity increases at constant (discounted for inflation) prices are compared with wage increases at current (not adjusted for inflation) prices?
- (2) Will an apology or correction be printed in a future issue of *State Report*?

Mr O'CONNOR replied:

- (1) I am pleased to provide the requested answer to assist the Opposition to understand the economy.

The purpose of comparing real increases in national output with cash increases in wages was to emphasise the danger of policies that drive up wages faster than production.

Such a process is the major force behind inflation and the killing of jobs with cost.

I remind the member that the four-fold increase in cash wages in the past 10 years has been accompanied by a four-fold increase in unemployment. I urge him to show more concern for such consequences.

- (2) Answered by (1).

### FUEL AND ENERGY: STATE ENERGY COMMISSION

#### Waste Disposal

1152. Mr BRIAN BURKE, to the Minister for Fuel and Energy:

- (1) What was the expiry date of a contract between Alex Kelly and Harman and

the State Energy Commission for the removal of waste from the Belmont and Kewdale depots?

- (2) Did Alex Kelly and Harman put together a proposal to cover waste disposal for all the commission's metropolitan depots?
- (3) Were other waste disposal firms invited to tender for this contract?
- (4) If "No", why not?

Mr P. V. JONES replied:

- (1) The contract between Alex Kelly and Harman for the removal of waste from the Belmont and Kewdale depots expired in June 1982.
- (2) Yes.
- (3) No.
- (4) I am advised that the Alex Kelly and Harman proposal has been accepted for 12 months to allow the commission to centralise control of waste collection in metropolitan depots.  
The commission will call tenders for all metropolitan waste collection requirements when the current contract with Alex Kelly and Harman expires on 31 May 1983.

## TISSUE GRAFTING AND PROCESSING ACT

### *Amendment*

1153. Mr GORDON HILL, to the Minister for Health:

- (1) Does the Government intend to amend the Tissue Grafting and Processing Act?
- (2) If "Yes", when?

Mr YOUNG replied:

- (1) and (2) It is hoped to introduce, later in this session, a human tissue transplant Bill which will include amendments to or repeal of the Tissue Grafting and Processing Act.

## EDUCATION: ACT

### *Funds*

1154. Mr GORDON HILL, to the Minister for Education:

- (1) Does the Government intend to reduce the allocation of funds towards art education?
- (2) If "Yes", why?

Mr CLARKO replied:

- (1) No.
- (2) Not applicable.

## POLICE

### *Quiz Nights*

1155. Mr JAMIESON, to the Minister for Police and Prisons:

- (1) With reference to question 1124 of 1982 relating to quiz nights in taverns, have there been, during the last year, any reports of breaches of the Liquor Act or Lotteries (Control) Act in taverns or hotels during the holding of fund-raising quiz nights?
- (2) What were the nature of these breaches?
- (3) Have there been any prosecutions in connection with such breaches?
- (4) Will the Government assure fund-raising organisations, running quiz nights, that the future policy will be one of tolerance and containment as it applies to the problems of prostitution and other breaches of the law?

Mr HASSELL replied:

- (1) Yes.
- (2) (a) Permitting juveniles to be on licensed premises, section 127(b) (1), Liquor Act— one charge.  
(b) Permitting lottery to be conducted on licensed premises, section 126(1) (f), Liquor Act— two separate inquiries.  
(c) Conducting an illegal lottery, section 23(1) (c), Lotteries (Control) Act— one inquiry.
- (3) Yes, in reference to 2(a) above. Inquiries are incomplete in reference to 2(b) and (c).
- (4) Numerous genuine charitable organisations are issued with permits by the Lotteries Commission to conduct lotteries, but with the exception of a club licence, lotteries are not permitted on licensed premises. Section 126(1) (f) Liquor Act.  
"Charitable organisation" under the Lotteries (Control) Act means any organisation which, in the opinion of the commission, has for any of its objects the raising of money for charitable purposes, or for the promotion and advancement of social welfare, including public recreation and sport.

There is no objection to fund-raising organisations running quiz nights, but when conducted on licensed premises, the law applicable to the Liquor Act and Lotteries (Control) Act necessarily applies.

## PASTORAL INDUSTRY

### *Kimberley*

1156. Mr EVANS, to the Minister for Agriculture:

What recommendations contained in the study "The Problems and Future of the Kimberley Pastoral Industry" (November 1981) concerning the Kimberley beef industry have—

- (a) been implemented;
- (b) not been implemented?

Mr OLD replied:

- (a) and (b) The report in question, although dated November 1981, was not released until after an updating completed on 21 April 1982. A copy of this report was not received at my office until 25 June 1982.

Concurrent with the report by the Kimberley regional development committee, the Department of Agriculture has been examining the industry problems in detail. This report, together with the Kimberley regional development committee report, will be discussed at a meeting between the members of the Kimberley regional development committee and relevant Ministers.

Despite the fact that the report in question has only recently come to hand, several of the recommendations in the report were implemented some time ago. These include resolutions 194, 196, 197, and 200.

## PASTORAL INDUSTRY

### *Kimberley*

1157. Mr EVANS, to the Minister for Agriculture:

What recommendations contained in the report of the Honorary Royal Commission into the Beef and Sheep Industry (October 1976) concerning the Kimberley beef industry have—

- (a) been implemented;
- (b) not been implemented?

Mr OLD replied:

- (a) and (b) The report of the Honorary Royal Commission into Beef and Sheep Meats Industry (October 1976) made wide-ranging recommendations as to action that the industry and Government could take to improve the efficiency of the Kimberley beef industry.

The recommendations were in many cases of a general rather than a specific nature and often required further study. The development of the Government's policy towards the Kimberley beef industry uses many of the recommendations of the Royal Commission as its basis. Example of this are—

#### (A) Transport—

- (i) The range of road trains carrying stock south from the Kimberleys was extended;
- (ii) the Broome-Port Hedland road was sealed and the programme to seal major roads in the Kimberleys is proceeding ahead of schedule;
- (iii) floodways have been improved on many roads;
- (iv) a large extension programme on cattle bruising was instigated and considerable research work carried out.
- (v) the Wyndham Port facilities were dramatically improved with the introduction of full refrigerated container service.

#### (B) Financial aspects of the industry—

The Rural Adjustment Authority pays particular attention to the problems of the pastoral industry and funds are available to modify debt structures and for station buildup where units are not viable.

#### (C) Role of the meatworks—

The Government encouraged rationalisation of the Kimberley meatworks.

#### (D) Live cattle exports—

The Government has been active in the development of live cattle exports from the Kimberleys both to southern markets and to overseas markets.

## (E) Stocking rates and capacity—

The Department of Agriculture is continually researching aspects of stocking rates and carrying capacity of pastoral lands. It carried out a trial to specifically examine the value of spaying to the industry as recommended.

## (F) Bruising—

The Department of Agriculture is examining design of yards and transport units and the methods of handling cattle so as to minimise bruising. Detailed surveys have been done on bruising as effected by management and mustering procedures.

## (G) Vermin control—

The Agriculture Protection Board has greatly increased its activities in the pastoral region. The aerial donkey eradication programme is a particular example of intensified activity.

## (H) The Government has a very well developed programme to respond to incursions of exotic diseases and continues to place a very high priority on this aspect.

In addition it has greatly increased its activity in the TB and brucellosis eradication campaigns in the Kimberley and the area is now declared free of brucellosis. In collaboration with the Federal Government it is hoped that TB will be eradicated in the near future.

## ANIMALS

*Cats: Wild*

1158. Mr PARKER, to the Minister for Health:

- (1) With reference to his letter to me of 3 May 1982 concerning wild cats (reference PHD595/70), which local authorities have adopted by-laws as suggested in his second paragraph?
- (2) Will he table copies of the by-laws as so adopted?

Mr YOUNG replied:

- (1) Shire of Rockingham;  
Shire of Mandurah;  
City of Nedlands;  
City of Subiaco.
- (2) Yes.

*The by-laws were tabled (see paper No. 357).*

## MINERAL SANDS

*Monazite: Bagging and Shipment*

1159. Mr HODGE, to the Minister for Health:

- (1) In his reply to question 860 of 1982 he stated "there is good reason to believe that it (monazite) has never been handled through the Port of Bunbury". Is he aware that a Government publication titled *Mineral Resources Bulletin* No. 10, "Heavy Mineral Sands Deposits of Western Australia" states on pages 42 and 45 that monazite was shipped in bags through the Port of Bunbury until at least 1977?
- (2) Does the department regard the handling of monazite in bags as a safe practice?
- (3) (a) In view of the possibility of spillages of bagged monazite has the Bunbury waterfront been checked for background radiation levels;  
(b) if so, what were the results?

Mr YOUNG replied:

- (1) Yes, this report is dated February 1976 and the data in it appear to relate to years before 1974. Recent information from the Bunbury Port Authority confirms that up to 1972, monazite was handled through that port, but since 1972 the quantities exported through Bunbury have been negligible.
- (2) A similar question was asked on 7 April 1982 (467, part (24)) and I answered then that it is an undesirable practice, but monitoring has not shown that it could be described as hazardous. I am happy to advise that a further company has now agree to cease the practice and the remaining company is preparing to do so.
- (3) (a) No, and I see no point in doing so;  
(b) not applicable.

## WATER RESOURCES: GROUNDWATER

*Radium Content*

1160. Mr HODGE, to the Minister for Health:

- (1) Is groundwater used in the metropolitan water supply monitored for its radium content?
- (2) Will he provide me with the most recent results for radium activity in water from the Jandakot and Gnangara aquifers?
- (3) If not, why not?

- (4) What are the limits of radium activity in drinking water specified by Public Health regulations?
- (5) What is the range of radium activity actually found in Perth's water supply?

Mr YOUNG replied:

- (1) No.
- (2) and (3) Not applicable.
- (4) The National Health and Medical Research Council desirable quality for drinking water in Australia is 0.4 becquerel per litre for radium.
- (5) 0.0023 to 0.02 becquerel per litre.

#### FUEL AND ENERGY: STATE ENERGY COMMISSION

##### *Borrowings and Contingent Liabilities*

1161. Mr GRILL, to the Minister for Fuel and Energy:

- (1) Referring to the State Energy Commission's 1981 annual report and in particular the financial report therein—
  - (a) what are the contingent liabilities not incorporated in the accounts of the commission;
  - (b) what are the amounts of these contingent liabilities;
  - (c) to whom are they payable;
  - (d) when are they payable?
- (2) What are the adjustments for "for presentation purposes" on page 3 of the financial report contents?
- (3) What are the adjustments for "amended internal accounting qualifications" on page 3 of the financial report contents?
- (4) (a) What is the amount of the long-term offshore borrowing arrangements referred to on page 2 of the financial report contents;
  - (b) what is the amount of each loan;
  - (c) in what currencies are each loan;
  - (d) how much of each loan is hedged;
  - (e) in what currencies are the loans payable;
  - (f) what are the actual and/or notional losses on these borrowings between 30 June 1981 and 30 June 1982?

Mr P. V. JONES replied:

- (1) to (4) The information sought is extensive, and I will respond to the member by letter in due course.

#### FUEL AND ENERGY: STATE ENERGY COMMISSION

##### *Loans*

1162. Mr GRILL, to the Minister for Fuel and Energy:

- (1) What loans are presently being raised by the State Energy Commission (specifying the amount to be raised, interest rate, and date of maturity)?
- (2) Have Dominguez and Barry Partners tendered to underwrite any of these loans; if so, which loans?
- (3) When were tenders called?
- (4) When did Dominguez and Barry tender for same?
- (5) To whom has the underwriting been granted?

Mr P. V. JONES replied:

- (1) Loans raised by the State Energy Commission of Western Australia as at 20 August 1982—
  - (a) Public Loans—
    - Cash and conversion loan No. 66—\$51 000 000
    - Terms
    - 4 years 17.0% maturing 31 July 1986
    - 5 years 17.0% maturing 31 July 1987
    - 7 years 17.0% maturing 31 July 1989
    - 10 years 17.2% maturing 31 July 1992
    - 15 years 17.2% maturing 31 July 1997;
  - (b) Private loans—
    - 67
    - Private loans from various stockholders, totalling a cash amount of \$49 716 428. The terms and conditions of these loans, within Loan Council guidelines, involve commercial information which is confidential and cannot be released.
- (2) Dominguez and Barry Partners tendered to underwrite public loan No. 66.
- (3) and (4) Tenders were called on 20 May 1982 to close on 2 June 1982 and Dominguez and Barry were included in the applicants.
- (5) The underwriting of Public Loan No. 66 was granted to the underwriting team of—

The Rural and Industries Bank of Western Australia;



B. T. Australia Limited;  
Bain and Company, members of the  
Sydney Stock Exchange Limited;  
Bank of New South Wales;  
Yamaichi International (H. K.)  
Limited.

## FLAGS

### *Western Australian*

1163. Mr DAVIES, to the Premier:

- (1) How many Western Australian flags have been issued to qualifying organisations under the Government's recently announced scheme?
- (2) What is the cost of each flag?
- (3) What is the size of flags issued?

Mr O'CONNOR replied:

- (1) Nil.
- (2) Quotations received are under consideration.
- (3) The matched pair of small Australian and Western Australian flags to be placed in all classrooms and Government offices will each measure 6" x 3".

## HOUSING: RENTAL

### *Construction*

1164. Mr WILSON, to the Minister for Housing:

- (1) With respect to the State Housing Commission's construction programme for 1982-83, how many of each of the following categories of rental accommodation will be constructed in—
  - (a) the metropolitan area; and
  - (b) non-metropolitan area—
    - (i) one-bedroomed pensioner units;
    - (ii) two-bedroomed units;
    - (iii) three-bedroomed units;
    - (iv) four-bedroomed units;
    - (v) five-bedroomed units?
- (2) How many of each of these categories will be—
  - (a) flats;
  - (b) town houses;
  - (c) duplexes;
  - (d) single detached houses?
- (3) In which suburbs and towns will these units be located and how many of each type will be built in each of these suburbs and towns?

- (4) What will be the total cost of this rental building programme?

Mr SHALDERS replied:

- (1) to (4) The construction programme for 1982-83 will be finalised when the State Budget is brought down.

## HOUSING: PURCHASE

### *Construction*

1165. Mr WILSON, to the Minister for Housing:

- (1) How many purchase homes will be included in the State Housing Commission's 1982-83 construction programme?
- (2) What will be the total cost of this construction programme for purchase homes?
- (3) In which suburbs and towns will these houses be located and how many will be built in each of these suburbs and towns?

Mr SHALDERS replied:

- (1) to (3) The construction programme for 1982-83 will be finalised when the State Budget is brought down.

## ROTTNEST ISLAND BOARD

### *Camping*

1166. Mr WILSON, to the Minister for Lands:

- (1) Has there been a special committee set up by the Rottnest Island Board to inquire into camping at Rottnest Island?
- (2) If "Yes", what is the brief of this committee and what individuals and organisations has it interviewed to date?
- (3) Who are the members of the committee and which of these members has expertise in the requirements of camping?

Mr LAURANCE replied:

- (1) Yes. A subcommittee of the Rottnest Island Board has been established for this purpose.
- (2) To examine and report on all aspects of camping on Rottnest Island. Only one so far—the camping area lessee.
- (3) Mr E. P. O'Callaghan, Mrs P. M. Barblett, and Hon. A. D. Taylor, M.L.A. Mrs Barblett holds a Bachelors Degree in Education and a post graduate Diploma in Recreation.

## STATE FINANCE

*Stamp Duty*

1167. Mr WILSON, to the Treasurer:

- (1) What amount of revenue was raised by the State Government from stamp duty on cheques in the past financial year?
- (2) What effect does he expect the new Federal tax on cheques announced in last week's Budget to have on this traditional State source of revenue?
- (3) Was the State consulted by the Commonwealth about its intention to move into this area of State revenue raising?
- (4) What protest, if any, has he lodged with the Prime Minister on the matter?
- (5) What constitutional ramifications are there in respect of Commonwealth-State relations, in this move by the Commonwealth?

Mr O'CONNOR replied:

- (1) Estimated at \$7.6 million.
- (2) It is unlikely to have a direct effect, but if the new tax leads to a reduction in the use of cheques or a transfer of accounts from banks, State stamp duty would be affected.
- (3) No.
- (4) I am concerned at the Commonwealth's intrusion into a taxation field which has traditionally been the province of the States and propose taking the matter up with the Prime Minister when we have fully assessed the likely effects of the move and any legal issues involved. I understand that the trading banks are also concerned at what appears to be discrimination against bank current account users and will no doubt also protest at what we believe to be an ill-considered measure.
- (5) This is one of the issues that needs to be examined before any effective approach to the Commonwealth can be made on the matter.

## SEWERAGE

*Nollamara*

1168. Mr WILSON, to the Minister for Water Resources:

- (1) What plans exist for the extension of sewerage services in the suburb of Nollamara?

- (2) Will he supply me with a map showing the present extent of sewerage in the suburb of Nollamara?

Mr MENSAROS replied:

- (1) No plans exist for the extension of sewerage works in the district of Nollamara in the current MWA development plan 1982-87.
- (2) I will send the member the map requested under separate cover.

## QUESTIONS WITHOUT NOTICE

## TRAFFIC: MOTOR VEHICLE INSURANCE TRUST

*Performance and Financial Position*

437. Mr TONKIN, to the Treasurer:

Will the Treasurer give a brief outline of the results of his personal investigation and evaluation of the performance and financial position of the Motor Vehicle Insurance Trust, as he promised in April and May this year?

Mr O'CONNOR replied:

I will adhere to any promise I gave in April or May this year.

## RAILWAYS: FREIGHT

*Joint Venture: Northern Wheatbelt*

438. Mr TUBBY, to the Minister for Transport:

Would the Minister indicate the degree of support expressed for the new land freight transport policy by representatives of shires and business people in the northern wheatbelt.

Mr RUSHTON replied:

The Government's land freight transport policy has received good support from representatives of northern wheatbelt shire councils and business people.

Members opposite need not laugh. They should be embarrassed.

Mr Carr: That is not the response; it is one of considerable concern and disappointment at the failure of the service.

Mr RUSHTON: How out of touch is the member for Geraldton!

The SPEAKER: Order!

Mr RUSHTON: I met with Morawa, Mullewa, Mingenew, Three Springs, Carnamah, and Perenjori Shire Councils and local business representatives at Morawa

last Friday. The Commissioner of Transport attended also.

We were pleased to hear the ongoing support for the transport freedoms being made available to country people under the progressive implementation of the new policy.

There had been detailed research and consultation in developing the policy, and it was encouraging to see the continuing support for the deregulative steps taking place to bring to country people and their centres the benefit of their being able to choose their freight transport and the advantages of competitive rates and services.

The introduction of stage three of our policy deregulating general freights from 1 July 1982 was a major step forward for country transport. Coinciding with this had been the commencement of the Westrail-Mayne Nickless Ltd. joint venture Total West operation. Initial difficulties arising from unexpectedly high freight levels and the beginning of new operations at Total West had settled down substantially.

Representatives at the meeting advised me that the mainline haul and general transport deliveries were now working particularly satisfactorily.

There have been substantial reductions in overall freight rates, especially on such items as groceries, building materials, machinery, and hardware lines; and the service was adequate.

A positive result of the new policy was the initiative taken by a local operator to run a round-route service from Geraldton, through Mullewa, Morawa, Perenjori, Carnamah, Three Springs, Mingenew, and Dongara, back to Geraldton.

Intertown service arrangements for such items as spare parts were being checked by the Commissioner of Transport.

I asked the people at the meeting whether they were satisfied with the deregulated system or wanted changes. They agreed that the basis for the changes was sound, appreciated their introduction, and indicated full support for continuation of the new arrangements.

The visit to Morawa was one on which I asked to meet the representatives of the shires and business people from the areas in the northern wheatbelt. The meeting was a very positive one at which full and strong support was expressed for what the Government is doing. One need which was not seen as necessary earlier was the need for a service between the towns. That demonstrated clearly that the local operator acted with initiative in the last few weeks by bringing the towns together in a service from Geraldton; and it indicated a positive result of the Government's policy which allowed that initiative to take place.

Mr Carr: Total West made such a mess up of its routes in the area that there was considerable jockeying and changing of the procedure to try and come up with something to rescue the area from the mess it was put into by that policy.

Mr RUSHTON: The member for Geraldton indicates he is totally out of touch with the comments made at the Morawa meeting.

Mr Carr: You are trying to produce something to show how good it is.

Mr RUSHTON: The member does not even know what the situation is.

Mr Carr: I wrote to the manager of Total West and he acceded to the request I made on the issue.

Mr RUSHTON: The member ought to keep in touch with the local carriers and the local people. He would then be able to acknowledge that the freight rates have been reduced and that the service is satisfactory on the mainline hauls. A service has been introduced by a local carrier who is working out of Geraldton through the country towns and back again.

It is easy to demonstrate that is a result of the freedom to develop initiative. It was rewarding to go to a mixed meeting such as the one at Morawa and receive positive support for a Government initiative which was based on the philosophy of freedom of choice.

## CONSERVATION AND THE ENVIRONMENT

### *Harding River Dam: Report*

439. Mr BARNETT, to the Minister for Conservation and the Environment:

- (1) Is it a fact that the Environmental Protection Authority report on the Harding River dam proposal was received by him or in his office on Friday, 20 August, or later?
- (2) When did other members of the Cabinet receive copies of the report?
- (3) When was the decision to go ahead with the proposal made?

Mr Davies: Did they read the report?

Mr BARNETT: Obviously not. My question continues—

- (4) Will the Minister provide me with a copy of the EPA report or table it?

Mr LAURANCE replied:

- (1) I am not able to say what time the report arrived in my office; but it was transmitted to me, as required under the Environmental Protection Act, by the Environmental Protection Authority at some time during the last week.
- (2) After the report was received, a Cabinet minute was prepared and distributed to the other Cabinet members.
- (3) The matter was considered at the Cabinet meeting yesterday; and the Premier made an announcement about the Government's acceptance of that report.
- (4) I do not have a copy available now, but I will give consideration to tabling a copy. The proposal has been made public as a result of the Government decision.

## ROAD

### *Armadale-Ravensthorpe*

440. Mr GREWAR, to the Minister for Transport:

- (1) Has any decision been made yet on the finalisation of the route and construction programme for the Hyden-Holt Rock section of the Armadale to Ravensthorpe road?
- (2) If so, would the Minister give an indication of progress in resolving this matter.

Mr RUSHTON replied:

- (1) and (2) The Main Roads Department has completed an investigation of a number of alternative routes for the construction of an improved road between Hyden and Holt Rock. The investigation has shown that a more suitable route than the existing main road could be developed running south-east from Hyden, then east to join the existing main road south of East Hyden wheat bin. This route would be shorter than the existing route by about 10 km.

I am advised the suggested new route is mostly along existing roads; but there may be a six km deviation starting about seven km from Hyden.

There are a number of environmental factors to be considered, including the presence of Aboriginal sites. A consultant has been engaged to report on this aspect; and at the same time the Department of Conservation and Environment is considering the preferred route.

It is hoped that the route to be upgraded will be determined by no later than December 1982. In anticipation of the route being selected, funds were included in the Main Roads Department's 1982-83 programme of works to cover the cost of constructing dams for the storage of water for road construction purposes.

A preliminary estimate at current prices of the cost to complete the sealing of this section is \$4 million. Provided the route is finalised shortly, construction could commence in 1983-84. However, in view of the very substantial funds required and bearing in mind the priority of this project compared with others, the work will need to be spread over a number of years; and five years is seen as a minimum.

Subject to funds being available, the project could be completed during 1987-88 provided a start is made in 1983-84.

## FLAGS

### *Western Australian*

441. Mr DAVIES, to the Premier:

This is in regard to the answer he gave to question 1163 in respect of the Government's generosity in providing Western Australian flags to local organisations. He exceeded in generosity by saying that the Government would

supply both the Australian and the Western Australian flags to qualifying organisations, none of which has asked for any. In his answer, the Premier said that the size of the flags is six inches by three inches. Does he mean six feet by three feet, or two metres by one metre, if we are to metricate?

Mr O'CONNOR replied:

The reason that none of these flags has been asked for is probably that none is available at this stage. We are proposing to place miniatures of the Australian and Western Australian flags in each schoolroom and in various other parts of the State such as hospitals, Government departments, etc., in an effort to promote the flag and knowledge of it in this State.

Government members: Hear, hear!

Mr Carr: Do you really mean six inches by three inches?

Mr O'CONNOR: The flags are of the size of the ones on the Cabinet table during various functions held from time to time. We have not finalised the orders, but we have asked for tenders for the flags.

I believe, and I hope that members of the House believe, that we ought to promote the flag.

Opposition members: Hear, hear!

Mr Davies: If you can see it!

Mr O'CONNOR: The Commonwealth Government has agreed to pay 50 per cent of the cost of the flags. We will be supplying the crossed flags that members probably have seen on the Cabinet table. At this stage, the price has not been finalised.

We intend to put the flags into each classroom and each Government department, and make them available for any other organisation requiring them.

Mr Davies: And the size is right?

Mr O'CONNOR: I am quite happy to provide the Opposition with a set of flags, as soon as they are available.

Mr Davies: We have one already.

## FUEL AND ENERGY: DIESEL

### *Rebate Scheme*

442. Mr McPHARLIN, to the Premier:

The Federal Treasurer has announced that as from 18 August 1982 the diesel fuel certificate system previously operating will cease, but that a rebate system will be payable on diesel fuel used for "off-road" purposes in the agricultural, mining, fishing, and forestry industries, medical and nursing institutions, and for domestic purposes. I ask—

- (1) Will the State Government instrumentalities have to pay the increased charges?
- (2) If so, what will be the total cost to the Government in a full year?
- (3) What action does the Government propose to take to alleviate this added debt load?

Mr O'CONNOR replied:

- (1) The Federal Government's diesel fuel rebate scheme could cost the Western Australian Government many millions of dollars.

The expected impact on Westrail will be to increase its costs by \$3.7 million in a full year, and an even greater impact will be experienced by the State Energy Commission which uses diesel fuel to generate electricity in a large number of country centres and in the north-west of the State. Additional annual cost to the commission is expected to be at least \$4.8 million.

- (2) This has not been fully determined, but will be in the range of \$10 million to \$12 million.
- (3) The State Government has protested vigorously to the Commonwealth and is attempting to have the enabling legislation deferred to allow comprehensive discussions to be held between State Ministers and the Commonwealth over the issue.

In connection with this question, a number of other States probably will join us. I believe that New South Wales, South Australia, and Victoria will be affected substantially. Queensland does not have a fuel tax, and it will not be affected to the extent we will be in this State.

## GAMBLING: LAWS

*Amendment*

443. Mr PARKER, to the Premier:

I remind the Premier of the confusion that seems to exist locally in view of the announcement of the Government's intention to amend the gaming laws and to increase the penalties. The confusion is whether the existing penalty of one year's imprisonment for the operator of a gaming house is to be retained. Is it the Government's intention to retain this penalty for that offence or not? In either event, when was the decision made?

Mr O'CONNOR replied:

The question should have been directed to the Minister for Police and Prisons. The legislation is not before the Parliament at this stage; and the member will be advised in due course.

## GOVERNMENT CONTRACTS

*Preference Clause*

444. Mr SIBSON, to the Minister for Works:

- (1) Did the Minister read a comment by the Leader of the Opposition in the *South Western Times* today in reference to the contract preference clause where he indicated that if the Opposition ever becomes the Government it will lift the preference limit to \$50 000?
- (2) Would the Minister please advise the Government's current policy in regard to the contract preference clause.

*Point of Order*

Mr PARKER: On a point of order, I ask the member for Bunbury to table the paper from which he is reading.

The SPEAKER: At the conclusion of the question being asked, I will ask the member for Bunbury to make available the paper so it can be placed on the Table of the House for the balance of today's sitting, for the benefit of members.

Mr Sibson: How many copies?

Mr Parker: Just the bit with the answer on it!

*Questions (without notice) Resumed*

Mr MENSAROS replied:

- (1) Yes.
- (2) The Government's policy, currently and as in the past, is to assist decentralised small industry which does not have the benefit of scale of economy. This is expressed in a percentage preference for public works tendered for by the Public Works Department and other departments up to an appropriate value limit. The percentage and the value limit is subject to review from time to time. To the best of my recollection, for the past 2½ years that value to which the Leader of the Opposition proposed to introduce the limit at a future date has been \$50 000; so that has been there for 2½ years. I suggest that what the Leader of the Opposition indicates he would introduce is so far in the future that by that time the Government probably will have had to double the amount at least.

*The paper was tabled for the information of members.*

## FUEL AND ENERGY: DIESEL

*Rebate Scheme*

445. Mr GRILL, to the Premier:

- (1) Is the Premier aware that there appears to be some real concern that the legislation covering the recently announced Commonwealth fuel surcharge and rebate legislation is defective in that it does not seem to allow a rebate to miners where the ore is carted from the site directly to the port for export and where beneficiation takes place to the ore at the port?
- (2) As this could have serious consequences for some miners, would he look into the matter and, if necessary, contact the Federal Treasurer with a view to having the legislation amended?

Mr O'CONNOR replied:

- (1) and (2) I am aware that there are a number of anomalies as far as Western Australia is concerned; I do not know whether there are anomalies so far as the Commonwealth is concerned. Nevertheless, I will take up the point with the Commonwealth. We are perturbed particularly about the effects of the legislation as it relates directly to taxation on such things as railways—which must in due course although not necessarily involve further costs for country centres—and the SEC which could mean further imposts on Western Australia in such areas as mining. We already have made a protest to the Prime Minister, but should the member for Yilgarn-Dundas have any further points he thinks we should take up with the Commonwealth Government I would be only too happy to do so on behalf of the people of this State.

#### FUEL AND ENERGY: PETROL

##### *Prices: Labor Party Proposal*

446. Mr BLAIKIE, to the Minister for Consumer Affairs:

- (1) Is he aware that the Leader of the Opposition at a rural Labor Party meeting indicated that a State Labor Party Government would reduce the price of petrol by 3c a litre?

Mr Parker: The wholesale price.

Mr BLAIKIE: To continue—

- (2) Can he comment on this and advise what the situation is in regard to petrol pricing in other States, in particular the States of New South Wales and Victoria?

Mr SHALDERS replied:

- (1) and (2) I did read a newspaper report which indicated that a future Labor Government would reduce the wholesale

price of petrol by 3c a litre. I am quite certain that the inference gained by the member for Vasse and his reason for asking the question in this manner is that he assumed the Leader of the Opposition was talking about the retail price of petrol. I am quite certain that the Opposition would be hoping that the general public believe that this move would result in the lowering of the retail price of fuel by 3c a litre. New South Wales introduced its own wholesale fuel price legislation with the result that it arbitrarily reduced the wholesale price of fuel by 2c a litre below that recommended by the Petroleum Products Pricing Authority, but the retail price to motorists did not fall by 2c a litre.

Mr Parker: That is not true.

Mr SHALDERS: In fact, the retail price of fuel in New South Wales has been consistently higher than the price both in Victoria and particularly Queensland.

Mr Parker: It is considerably less than here.

Mr Sibson: Bunbury has the cheapest fuel in Australia.

Mr SHALDERS: Some time ago the Premier of New South Wales recognised that his arbitrary reduction of the wholesale price of petrol had not reduced the retail price to motorists and he reverted to the wholesale price set by the PPPA. In making his statement, the Leader of the Opposition here gave no reason or justification for the amount by which a future Labor Government would reduce the wholesale price of petrol in this State. I find the Opposition's attitude very difficult to understand because consistently over a long period it has criticised the present Federal Government for abolishing the Prices Justification Tribunal, yet the one remnant of federal pricing which remains is the PPPA. In fact, the Chairman of the PPPA is the former chairman of the PJT, a body the Opposition supported the retention of so strongly. However, in the one area where the PJT operated and in which it has remained in force purely to set a wholesale price of fuel in Australia the Opposition opposes its findings.

Mr Tonkin: Which is not being followed.

Mr SHALDERS: Obviously the Opposition believes it is incompetent, although in this State it has not in any way justified that action.

The Minister for Consumer Affairs in the Victorian Government, which is of the same political colour as is the Opposition here, said quite clearly at the recent meeting of Ministers for Consumer Affairs which I attended in Hobart that the Victorian Government had no evidence at this time that the price set by the PPPA was not a fair one.

Opposition members interjected.

Mr SHALDERS: The Victorian Minister for Consumer Affairs has said that no grounds and no evidence exist to lead us to believe that the price set by the PPPA is not fair and correct.

Mr Tonkin: The price is not being followed.

Mr SHALDERS: If the Leader of the Opposition has proposed that a future Labor Government would reduce the wholesale price of fuel in this State, such an action would have little, if any, effect whatsoever on the retail price of fuel. If there were ever a fuel shortage in this country, such an action would certainly result in the States which forced oil companies to sell their fuel at a lower price than that set by the PPPA to be the first to have their fuel supplies cut. One can understand the reason for oil companies deciding to do that.

Opposition members interjected.

Mr SHALDERS: I have no doubt whatsoever that this suggestion is a hoax and that the Opposition, on one hand, would reduce the wholesale price by 3c a litre and, on the other hand, would add all or part of that 3c to the existing fuel levy in this State, use that as a taxation measure, and blame the oil companies and retailers for the increase in the price of fuel.

#### EDUCATION: HIGH SCHOOL

##### Balga

447. Mr WILSON, to the Premier:

I refer to information contained in an answer to a question I directed to the Minister for Education on 18 August, indicating that the gymnasium building at Balga Senior High School, which was commenced in May 1981 and was due

for completion on 23 September 1981, remains uncompleted to date and no precise completion date is yet known.

I also refer to the Minister's additional information that further Government contracts have been let to the contractor concerned since problems occurred with the completion of this contract and ask—

- (1) In view of the inordinate delays involved in the completion of this building and the letting of further contracts to the contractor concerned in the meantime, will he instigate a top level Government inquiry into this matter to ensure similar instances do not occur and that the contractor's record in respect of this contract is taken into full account in the letting of future contracts?
- (2) Will he ascertain a precise completion date for the building?

Mr O'CONNOR replied:

- (1) and (2) In view of the fact that I had no notice of the question and am unfamiliar with the particular incident to which the member referred, I suggest he place the question on notice and I shall give him the appropriate answer at that stage.

#### HEALTH: NURSING HOME

##### *Penn-Rose: Investigation and Report*

448. Mr HODGE, to the Minister for Health:

- (1) Has the Minister completed his investigation into the Penn-Rose Nursing Home and the death of Reginald Berryman?
- (2) When will the Minister be presenting the results of his investigation to the Cabinet and when will his report be made public?
- (3) Can the Minister provide me with the names and positions held by all people interviewed by the Minister on this matter during the course of his investigation?



Mr YOUNG replied:

- (1) to (3) I welcome back the member for Melville after his excellent sojourn to the State hospital services and indicate that only today I signed my report on Penn-Rose Nursing Home. That report will go to Cabinet when it has its next meeting and all the names of the persons who were interviewed by me during the course of that investigation are listed in it. The report will be tabled in the Parliament.

#### TRAFFIC: MOTOR VEHICLE INSURANCE TRUST

##### *Mismanagement*

449. Mr TRETOWAN, to the Minister for Local Government:

In the light of reported statements by the Leader of the Opposition that increases in third party insurance premiums were attributable to mismanagement by the Motor Vehicle Insurance Trust, what action does the Minister propose to take?

Mrs CRAIG replied:

Let me first of all say that the Leader of the Opposition's public comments about the Motor Vehicle Insurance Trust were based on half truths and distortions and were a blatant and scurrilous attempt to mislead the public.

The trust has monitored very closely its financial position which also has been the subject of regular actuarial examination. The increase of 10 per cent in premium levels this financial year was in line with the consulting actuary's recommendation and was confirmed after examination by an independent premiums committee.

Although it is desirable that the accumulated deficit progressively be eliminated, I can give the House a categorical assurance that the trust's financial position is very stable.

I have been able to identify four things which were reported as having been said

by the Leader of the Opposition and which were apparently designed to infer mismanagement by the trust.

Firstly, he suggested that the return of 10 per cent to 11 per cent, in 1980-81, on the trust's investments, represented an unsatisfactory return when compared with present-day returns on such things as State Energy Commission loans. However, that conveniently ignores the fact that the trust has investments which were made in earlier years at an interest rate which was universally lower than at present. Naturally these investments must reduce the average yield when lumped with other current investments which have been made by the trust at ruling interest rates.

The trust maintains an investment portfolio which is designed to maximise interest and dividend returns and which is consistent with the need to ensure adequate security. This investment portfolio includes \$30 million in SEC loans. Investments in SEC loans over the past 12 months have totalled \$9.5 million.

Secondly, the Leader of the Opposition went on to infer that cheap housing loans for trust staff had contributed to unsatisfactory investment returns. I respond to that simply by pointing out that of a total investment of about \$220 million, a mere \$133 000 relates to staff housing loans. Incidentally, the trust has not advanced staff housing loans for several years.

Thirdly, the Leader of the Opposition spoke about the trust's having invested \$250 000 in a company which went bankrupt. That is a fact. It is also a fact that the company was Australian Guarantee Corporation Ltd. (*please see page 2796, question without notice 469*), which was an authorised trustee investment under the Trustees Act. Moreover, the event occurred several years ago.

Finally, the Leader of the Opposition said the trust had been unnecessarily increasing premiums to establish reserves greater than those required of private insurers under the Commonwealth Insurance Act. The answer to that as-

section is that it is nonsense. The trust, which is not bound by the Commonwealth Act, and whose operations are quite different from those of a private insurer, does not have reserves.

Mr Tonkin: We did not say it was bound by the Commonwealth Act.

Mrs CRAIG: There is no basis for any suggestion of mismanagement by the Motor Vehicle Insurance Trust and consequently I do not intend to take any action other than to continue the close interest in the trust's affairs which I have always maintained.

Mr Tonkin: You will be sorry!

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