

Legislative Council

Wednesday, 5 May 1982

The PRESIDENT (the Hon. Clive Griffiths) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS

Questions were taken at this stage.

ELECTORAL AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by the Hon. R. G. Pike (Chief Secretary), and read a first time.

Second Reading

THE HON. R. G. PIKE (North Metropolitan—Chief Secretary) [5.00 p.m.]: I move—

That the Bill be now read a second time.

This Bill provides that where an enrolment claim card is completed, the card will be rejected by the Electoral Registrar if it is not in his hands within 31 days of the date on which it was completed. At present, a claim form correctly completed, for example, on 1 January 1982 would be accepted by the Electoral Department even if it were not received until 1 December 1982. During this time, of course, the elector could well be living in another electorate. This Bill will overcome this problem, and the roll should be more correct.

It should be pointed out that the existing duty placed on an agent by section 194 of the Electoral Act is ineffective due to the absence of a time limitation. This Bill overcomes the problem by creating an offence if any party to whom the claim card is entrusted for lodgement fails to lodge the claim within 31 days of its completion. At present, the person entrusted with the claim card may hold it for an indefinite period and the claimant does not know whether or not it has been lodged with the Electoral Department.

Another reason for this Bill stems from the practice of political canvassers who take part in enrolment drives and who undertake to lodge claims on behalf of the citizen. The law requires a qualified elector to enrol and to vote in any subsequent election within the electoral district.

When a claim card is completed it is usually posted to the Electoral Department and this ensures it will be processed and acknowledged. In the normal course of events an acknowledgment ought to reach a claimant within 28 days. Failure to receive acknowledgment or written advice within that period would ordinarily indicate that

the Electoral Department has not received the claim form.

The Electoral Department proposes to include on electoral claim cards a statement to advise the claimant that an acknowledgment may be expected not later than two months from the date on which the claim was made. If not received in time, this will indicate to the claimant that his or her claim has not been lodged.

If the claimant entrusts a card to another party to lodge, he or she risks liability to prosecution for failure to enrol, if the person to whom he or she entrusts the claim form does not send it to the Electoral Department. Under this Bill, the other party ceases to hold his or her entitlement to enrol after 31 days because the claim will then be out of time. Too long a period can also elapse before the claim is lodged because of the practice of some party workers who accumulate claim cards over a period and then send them in batches to the Electoral Department.

A reservation also must be expressed that an unscrupulous person might deliberately refrain from lodging a claim card completed by a known opponent of his particular political persuasion, or the cards could be lost or negligently misplaced. In such a case the claimant might await the receipt of an acknowledgement which will never come. The establishment of a time frame will guard against this, bearing in mind that the onus to enrol rests with the claimant.

This Bill, by providing a time limitation, therefore affords greater protection to the claimant. If a claim card is delayed from lodgement, a claimant might well change his or her address and complete a new card before the original is received and processed by the Electoral Department. This results in confusion for both the elector and the department. This proposal, therefore, should lessen the possibility of dual enrolments. If a claim is received by the Electoral Department after the 31 days, the claimant will be advised.

Other provisions require that where there is an alteration, insertion, or erasure, the changes must be initialled by the claimant and the witness.

This Bill ensures also that a claimant will be protected against the wilful or neglectful acts of another party where they are aimed at delaying or preventing enrolment, and the changing or falsifying of information given.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Berinson.

STAMP AMENDMENT BILL (No 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Leader of the House), read a first time.

Second Reading

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [5.06 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes two amendments to the Stamp Act: Firstly, to rectify a recent problem relating to the calculation of interest when the services of a finance broker are used to negotiate a loan, and secondly, to ensure that all local government superannuation funds become liable for stamp duty.

The first matter relates to the credit and rental provisions of the Act and, in particular, to loans or transactions which are entered into at a rate of interest in excess of the declared rate, currently set at 17.75 per cent, and which arrangements consequently become liable for duty of 1.8 per cent.

For the purpose of the Act, interest is defined so as to include any amount paid in excess of the principal sum. However, at the same time, specific provision is made to exclude from that amount any sums which may be payable for legal costs, valuation fees, or for any duties or fees lawfully agreed to be paid under any Act.

The net figure after deducting the costs specified is the amount of interest which determines the liability, if any, for the stamp duty of 1.8 per cent. The Act is purposely framed in this manner to prevent any erosion whatsoever of the declared interest rate by preventing the deduction of any charges other than those specified.

Previously, the margin between the declared rate of interest for the purpose of the Stamp Act and the lending rate of interest on mortgage loans was such that, even when the brokerage fees and guarantee insurance premiums were added to the normal interest charges, the total amount so charged would still not have exceeded the declared rate of interest above which the duty is payable. However, the recent accelerated rise in interest rates has changed the position and has now highlighted the fact that sufficient margin no longer exists.

The result is that brokerage fees paid to a mortgage broker, or a premium paid for guarantee insurance in the normal course of arranging a mortgage, will, when added to the

interest rate chargeable on the loan, exceed the declared rate of interest in the Act. Consequently, many loans arranged by individual persons through brokers may become dutiable loans requiring the lenders to those funds to registered and pay duty under the Act.

It was not intended that lenders in this area of finance would ever be caught by this provision. Therefore, the Bill proposes to rectify the situation by excluding from the definition of "interest", any sums lawfully agreed to be paid by way of brokerage fees.

At the same time, the current "loan" definition, which prevents the splitting of the total interest payable, so defeating the purpose of the Act, has been found to be too all-embracing in its present form. This is to be modified so that in future it will apply to the procurement or guarantee fees referred to in that definition when paid to a person or persons associated with the lender.

The second proposal covered by this Bill is to ensure that stamp duty will be payable by local government superannuation schemes on the purchase of property or other commercial dealings.

It is added that the same provision will apply to the State Government superannuation fund. However, in that case it is not necessary to amend the law but only to revoke the declaration previously made under section 119 of the Act, which will be done as soon as this Bill becomes law.

It is proposed to make the existing State fund, as well as those operating for local government schemes, subject to the normal provisions of the Act.

This amendment to the law is necessary because of a successful appeal to the Supreme Court by the City of Perth acting as a trustee of the City of Perth superannuation fund. The court ruled that the general exemption currently provided for local authorities in section 119 of the Act applied even when the local authority was acting in this other capacity.

The City of Perth superannuation fund is the only local authority fund established outside the Local Government Superannuation Act. The board established under that Act to control funds for all other local authorities does not enjoy an exemption from stamp duty.

The amendment proposed by this Bill will ensure that all Government or private superannuation funds are treated in a like manner and will, therefore, be liable for stamp duty on all of their transactions

The two proposed amendments covered by this Bill are, of necessity, to operate from different dates. The first measure is to operate from 8 April 1982, which is the earliest possible date that could be adopted in order to minimise the period of time over which this problem has occurred. In regard to the second matter, the amendment is to operate from the date of assent.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Berinson.

BREAD BILL

Third Reading

Bill read a third time, on motion by the Hon. G. E. Masters (Minister for Labour and Industry), and transmitted to the Assembly.

GOVERNMENT RAILWAYS AMENDMENT BILL

Second Reading

Debate resumed from 4 May.

THE HON. H. W. GAYFER (Central) [5.12 p.m.]: It is about 100 years since Westrail first began to provide a freight service for parcels and other small goods. For the first 50 years it was virtually the only transport means available for this purpose. As a consequence it had the game in its own hands; it had no opposition at all. During the second 50 years, because of the mounting interest in mechanisation and the freer movement, particularly in certain country areas, a need arose to improve the railway system by regulation. This placed an obligation on the railway system to provide services for small goods, and particularly parcel traffic.

Improvements to the road network over the past 30 years, the greater availability and flexibility of commercial and private road vehicles, and the changing nature of the community have meant that its present needs have completely altered the situation that prevailed within the railway system. Because of the overall situation in Australia and abroad, the Government has introduced a Government transport policy in the form of this Bill, which is virtually a policy of open competition.

This Bill will provide the user with the right to have a free choice of the mode of transport he wishes to use to carry his small parcels; in other words, the customer will have a choice of the price and quality of services. For the first time in 100 years he will be able to choose what transport he wishes to use to carry his small goods and parcels.

The Hon. J. M. Brown: What do you call "smalls"?

The Hon. H. W. GAYFER: Less than wagon loads—unless a bale of wool could be thought of as a small unit, only one of which could be carried in a wagon. The literature accompanying this Bill was sent to every member and it indicated that the joint venture was not particularly interested in much under five-tonne loads. It seems it will prefer loads between 10 tonnes and 20 tonnes; that is the ultimate idea. When the regulations come into effect the customer will have available to him a choice of price and quality of service.

During the last 12 months a start was made to allow all carriers, including Westrail, to compete for the smaller, nine-tonne loads within a radius of 150 kilometres from Perth and 100 kilometres from Geraldton, Bunbury, Albany, Esperance, and Kalgoorlie. Regrettably, Westrail did not fare very well. It is no secret that there was an immediate loss of 48 per cent of its business. This proved that customers were not interested in any service other than a door-to-door service. It proved also that during this period Westrail had the best resources to handle the larger loads; there does not seem to be any argument about that. Train loads of bulk commodities give Westrail direct access from origin to destination, and this is virtually what the Bill caters for as far as the small goods services, door-to-door, are concerned.

Last night Mr McKenzie talked about subsidisation. Westrail and indeed I believe that it must operate those activities it does best, despite the fact that no transport mode can claim the right to be subsidised for a service which could be carried out more effectively by another operator. I am sorry Mr McKenzie is in the wrong seat at the moment because I know he would love to interject. It is regrettable that he cannot.

I understand the second stage of this policy relating to the 150 to 225-kilometre area, taking in the intermediate towns of Bunbury, Narrogin, and Merredin, will come into effect on 1 July. From its great experience in relation to the first stage, Westrail found it would get its throat cut because the customer wanted this door-to-door service. The change is wanted and needed by customers. This has caused Westrail to reconsider the opening up of the field in the 225 kilometre area, as it did with the 150 kilometre area.

The transport of smalls is said to incur an annual loss of \$7 million. There is double, treble, and sometimes four times the handling of the same product en route to its final destination now. If Mr McKenzie likes to examine the Kewdale operation and the transfer of goods off the broad

gauge onto the narrow gauge, into the goods shed at the local siding, and from then on to the customer, he would see the goods could be handled up to six times.

Unless there is cross subsidisation for the other products hauled by rail, such as bulks, there is no reason that something should not be done in order at least to attempt to eradicate this \$7 million deficit.

The Hon. Fred McKenzie: Can I ask you a question?

The Hon. H. W. GAYFER: If the member wants to put it on the notice paper, yes. We are in a bind. I have had some input experience in relation to drawing up contractual freight rate arrangements for grain, as a result of the recent steep increases in bulk grain freights paid by growers. This was a step forward and is certainly a departure from the norm in this State. It was apparent during the investigations that people did not want to be saddled with unnecessary costs from side areas that were, regrettably, not paying their way. That contract can continue in the future, within its escalation clauses, only if the efficiencies and the economics of Westrail are fully examined. When these have been examined and all the realities of the exercise are observed, Westrail's long term survival will be in the balance because, if it cannot operate economically and efficiently, there is no chance that contractual arrangements will be entered into between parties in the future if they need to be saddled with more cross subsidisation than presently is the case.

Transport is the name of the game. Those of us who use transport regularly believe there is room for improved efficiencies. In the Minister's opening remarks on the second reading stage he said—

This Bill represents a further progressive step in the Government's land freight transport policy. It has the aim of developing an efficient transport industry.

That is our aim, too. We must ensure that it will be efficient. The customer has his demands, as do other transporters in competition with Westrail—unions such as the Transport Workers' Union, and others which are very keen to get into the act. I do not believe there should be regulation or double regulation to prevent the user or the customer being satisfied.

As far as smalls are concerned, Westrail has the option of stepping out altogether or joining another company, as is envisaged. Section 28A of the amended Act says that Westrail cannot provide a road service or have monopolies when other road transport is available to provide a

service at an adequate standard and a reasonable cost. This virtually rules out the monopoly practice and the possibility of a subsidy. It must become flexible and get into the business of providing the sort of service the customer wants. The customer wants the door-to-door service with the distinct advantages of competition in relation to price.

I have personal experience in relation to the Meekatharra railway, the removal of which at one time I was very loathe to support. I have a little vested interest in that area: Mr Lockyer knows about that. The transport system which has replaced that line and which takes the wool from the shearing shed door right to its destination without the extra handling and costs only \$1 more than the actual rail freight on my wool from Corrigin to Perth, certainly is worth considering.

In his second reading speech, the Minister mentioned that the Government has decided to allow farmers to cart their own wool, mohair, and chaff in their own vehicles from 1 July. I can assure the Minister and Mr Fred McKenzie that my farm has no intention of carting wool. It is a horrible substance to cart. It sags, bellies, and swells out over the eight-foot limit and, as far as I am concerned, the sooner we can get it to the railway station and into the railway trucks, the better. It is a terribly springy load. We have a fairly handsome rig, in modern parlance, but we still will not cart wool willingly.

I look forward to the day when the joint venturer will be able to pick up wool from my woolshed door and, instead of taking it back to Corrigin along the closed Brookton-Corrigin railway line and then right around Bruce Rock and down to Perth, which is an idiotic system of transportation—

The Hon. J. M. Brown: I think they will just back load it to Perth.

The Hon. H. W. GAYFER: They would, under those circumstances. That is the wisest and most sensible thing to do. In Mr Brown's electorate, just out of Corrigin to the east of the now defunct, closed, and pulled up Corrigin-Brookton railway line, the wheat that comes out of Jubuk goes by road back to Brookton so it is going in the right direction. That should happen with wool and every other commodity.

The Hon. Fred McKenzie: Why is Westrail prevented from doing that by road now?

The Hon. H. W. GAYFER: Westrail is prevented from doing that by an amendment to the Act. I believe all is well and that the Westrail joint venture will provide us with many services that normally would not be available to us.

The Hon. Fred McKenzie: It is strange that it can do it now when it could not do it before.

The Hon. H. W. GAYFER: When Port Hedland was recently deregulated, the cost of goods transportation dropped from \$85 a tonne to \$45 a tonne. There is no argument about that, because those costs were saved by the people using the transport system.

The Hon. P. H. Lockyer: It's amazing what competition does, isn't it?

The Hon. H. W. GAYFER: Yes, it is. There was terribly stiff competition at the time and the prices were erratic for a while. When it settled down, the man who genuinely wanted to participate came to the fore and the costs stabilised.

The Hon. P. H. Lockyer: The same thing will happen with the Bread Act!

The Hon. H. W. GAYFER: I do not think Mr Deputy President (the Hon. R. J. L. Williams) would like me to talk about the Bread Act even though he is talking to somebody else. I do not think he would care about that, anyway.

The Hon. J. M. Berinson: If you would like to reintroduce that subject, I have just been handed a very long petition which would be of interest to you.

The Hon. H. W. GAYFER: If the member cared to give us a spiel on the Bread Bill now, I am sure Mr Deputy President would not mind. The Leader of the House would not mind either, because they are both otherwise distracted at the present time.

Members will note, when they read my speech, that I have not left the subject.

The Hon. P. H. Lockyer: Send for reinforcements!

The Hon. H. W. GAYFER: The user of any transport system should accept the opportunity for cheaper and more competitive transport. Competence also is a very important factor. The customer does not necessarily want the cheapest form of transport, he wants the best. That is a salient feature. Westrail will need to watch this point when the joint venture commences, because it will not necessarily get the customers simply by providing the cheapest service.

I was under the impression the total annual smalls traffic amounted to about 350 000 tonnes, but some of these documents mention a figure of 325 000 tonnes; I will not enter that argument because I have seen two different amounts printed in different documents. This means that, together with the smalls currently handled by road

transport, the joint venture will be looking at a target of some 400 000 tonnes of traffic.

It is important to note that not all of this traffic will be lost to rail, because it will retain its share of the market in consolidated rail wagon lots, particularly in areas such as Albany and Geraldton.

The whole reasoning behind the joint venture proposal is to give the customer a chance to enjoy a competitive service. We must realise the joint venture proposal will have the effect of putting another competitor into the field, vying for the available business; the joint venturers must win business in competition with such companies as Brambles, OD Transport Ltd., TNT Transport System, Bell Freight Lines Pty. Ltd., and the like; they will all be in the field, competing for this business. I do not believe this proposal will result in the user paying more for his transport. I sincerely hope Westrail will be competitive in its tendering because it has always provided a good service to the customer and, with its knowledge of freight operations, it is in a position to do an extremely efficient job.

However, if Westrail does not act now to get into this business, it will have the guts literally cut out of its assets. If Westrail sits on the sidelines and does nothing and is not prepared to lease out its sheds and marshalling yards when the legislation comes into effect on 1 July, in only two years it will be a hulking shell of its former splendour. If it does not get into the field and make arrangements to lease out its facilities, in the near future it will have no market for those facilities and equipment because there will be no company to which to sell, because they will all have established their own facilities. I believe the joint venture proposal will be a goer, and I cannot see we will ever return to the present situation.

I turn now to the utilisation of the existing staff.

The Hon. J. M. Brown interjected.

The Hon. H. W. GAYFER: I can understand the concern of members opposite; some progress must be made in providing for the staff concerned. However, we must realise that the railway system is not there simply to provide a living to its employees; it must operate efficiently. People are tired of subsidising Government utilities. I am sure the farmers in Mr Brown's area and the taxpayers generally would not be prepared continually to subsidise an inefficient system.

The Hon. Fred McKenzie: They already subsidise it.

The Hon. H. W. GAYFER: I know they do.

The Hon. Fred McKenzie: They subsidise electricity and water; why not also subsidise rail freights?

The Hon. H. W. GAYFER: Rail freights will continue to be subsidised to some degree because Westrail is not getting rid of all freight traffic. Mr Brown should not forget the meetings held in his electorate at which farmers expressed their dissatisfaction at the continuing subsidies and handouts provided to the railway system. They demanded the railways be placed on a business-like footing. The establishment of the joint venture will be over a trial period to endeavour to get the railways onto a business-like footing.

The Hon. Garry Kelly: Did you say that farmers were sick of subsidies?

The Hon. H. W. GAYFER: Farmers are sick of subsidies being paid to Westrail.

The Hon. Garry Kelly: Just to Westrail?

The Hon. H. W. GAYFER: No; however, we must keep it in context. To a large extent, these subsidies will continue.

For many years, railway staff have been virtually regulated because of the service provided to country towns. If a rail service is provided on 12-hourly, 24-hourly, or 36-hourly intervals, the staff must remain in those areas to provide a service; they do not perform many other duties. However, under the new system, hopefully they will have a full-day operation because the trucks will be arriving and departing at all hours; night services will be provided to various towns. The operation will have to compete with private enterprise; therefore it in turn must become efficient and must keep the profit motive in view.

The Hon. J. M. Brown interjected.

The Hon. H. W. GAYFER: Mr Brown made his speech yesterday; I wish he would let me make mine today.

The Hon. J. M. Brown: I am helping you today.

The Hon. H. W. GAYFER: I intend to quote what Mr Herb Graham said in 1956. If Mr Brown continues to interject it will make my point about what Mr Graham said sound all the better.

The Hon. Garry Kelly: That is history, now.

The Hon. H. W. GAYFER: It may be history, but it is still relevant. Currently, Westrail employs between 8 000 and 9 000 people; however, only about 700 or 800, or some 10 per cent, will be directly affected by the venture.

What will happen to those 700 people? I understand that through retirement and for other reasons, about 400 people a year are lost to the railway system. Some 250 people will be invited

to join the joint venture on a 12-months' secondment. During that period, they will be paid by Westrail, and their entitlements may be commuted. I wish to read from a supplement to a weekly notice put out by Westrail, because it details all the entitlements of Westrail staff transferring to the joint venture. The document reads as follows—

At any time during the period of secondment, staff may elect to transfer to the company on a permanent basis. Staff electing to transfer will receive the following benefits:

A lump sum payment will be made to compensate for differences in future long service leave entitlements.

All accrued annual and long service leave will be paid out.

A refund of superannuation contributions plus interest will be made. For people who have completed 10 years service, an additional payment of two and one half times the primary unit contribution will be made.

Provident fund members will receive a partial refund of contributions.

In addition to these cash payments, sick leave credits will be held in reserve and can be used if sick leave entitlements with the company are exhausted to cover absences due to illness. Staff will also be able to retain membership of the Railway Institute, Railways Institute Credit Union, Railway Officers Credit Union and Endowment Fund with payroll deductions arranged by the company. Staff at present renting a railway house, who elect to join the joint venture, will be able to continue to occupy the house at the normal rental fee.

At the end of twelve months, staff who have not already made a decision to transfer to the company must decide whether or not to accept a position on a permanent basis. Those who do not wish to continue with the joint venture company will be provided with alternative employment with Westrail.

In the unlikely event of the joint venture company going into liquidation within the first three years of operation, Westrail employees will be accepted back into this organisation.

That is not a bad list of entitlements.

The Hon. Fred McKenzie: In what section was that?

The Hon. H. W. GAYFER: The document fell off the back of a truck, just as did the document

which Mr McKenzie read to the House yesterday. It must have fallen off the back of a truck, because I do not think even the Minister has read it.

I understand that something like 700 years of back leave is owing to Westrail employees. The prime objective of any company is to keep up with annual leave, principally because any leave which is accumulated and taken at a later date is paid for at a higher wage rate. It is the undoubted right of any company always to make sure it keeps up with its employees' leave entitlements. I do not know how Westrail managed to get into such a situation, where 700 years of back leave is owed to its employees.

Westrail intends also to form gangs to carry out special maintenance projects. I understand further that some tradesmen will move to the Midland Workshops. I understand also that, contrary to general belief, people currently employed as country stationmasters will be needed when the rationalisation of the service takes place in that they will be required to sell the joint venture concept; they will act virtually as agents of the joint venture. Under the new system, they will organise the movement of block trains, especially as more sophisticated methods are employed.

The Hon. Fred McKenzie: If that is the case, why were they not selling the service before?

The Hon. H. W. GAYFER: Well, why were they not?

The Hon. Fred McKenzie: There is something wrong there.

The Hon. H. W. GAYFER: The Hon. Fred McKenzie asks enough questions—

The Hon. Fred McKenzie: I have no doubt they are going to do it; but it should have been done before.

The Hon. H. W. GAYFER: One delicate area is in connection with staff utilisation. It concerns some of the handlers of the less than carload material at Kewdale and in other areas. Those people are, to a degree, incapacitated. They have disabilities that prevent them from taking on full-time jobs or harder work than they do at present. I understand that a great deal of rehabilitation is occurring. In fact, a specialist officer in the Department of Social Security has investigated that field with a view to making sure that a person who causes a great deal of concern because he does not have all of his faculties or the use of all of his limbs is put into another useful occupation.

The joint venture cannot succeed without sales promotion. The joint venturers are working

extremely hard now to bring full details to the public, to the users, and to the customers by the end of May or early June. This is necessary. They cannot say where they will stand in the competitive field. They cannot quote the charges, but they can start their advertising and encouragement of the customers. They can say where they will be available but not state the price factor, so that the price is not flashed back to their competitors before 1 July, putting them at a disadvantage. I can see a lot of common sense in that move. Some of these details will have to be sacrosanct until such time as they can be brought into the open.

It would be wrong to take Western Australia in isolation. The only thing that can be said is that in other parts of Australia railway administrators are grasping the nettle and endeavouring to go ahead with worth-while projects. The Government believes that it is taking this step to make Westrail competitive; and eventually we will have a transport company of great repute, not only for its competence but also for its costs in handling this freight.

In Canada the authorities entered into a similar type of venture. One railway company had to buy out a trucking company to run the less than carload freight around the place. However, they ran into a great deal of trouble because they were railwaymen, and when they moved into another field, dealing with other people, they could not cope with the situation. They suffered financially because of their inability to compete in that field.

Now, in Canada and the United States, nobody handles less than carload freight by rail. That is just not on. In fact, it is interesting to note that anything under 500 miles is considered a short haul. In those areas, trucking competes with the "heavies" such as rail.

British Rail also set up a completely separate entity for the handling of LCLs. If we come a bit closer to home, we find that New South Wales introduced deregulation in 1973 for two years. However, it was obvious to Westrail that the New South Wales Government made a big mistake. In New South Wales, the authorities know that they have made a mistake because they deregulated before they were prepared to get into the act themselves. Once they opened up the railways, they found they did not have a role to play. They were not involved in the preparation of the groundwork so that they could move into that field. Once the railways became deregulated, the Government found that the possibility of moving into the field became more and more remote. To use a colloquialism, the New South Wales

Government is really hamstrung now because it is losing \$1.5 million daily on the rail system.

The Wran Government did not take drastic steps to move into the field of less than earloads, and it will miss out on that traffic. That is one of its prime mistakes.

Victoria tried to set up regional centres. It was the first State to go into the field. It set up 35 huge centres for the distribution of freight, and the freight was to be taken from the regional centres by truck, under the deregulation setup there. Mr Knight can imagine that if somebody wanted door-to-door traffic, he would have somebody pick it up and make it a door-to-door service. That is what the customer wants at present. Victoria did not set up the system properly, and it is closing in. That is an embarrassment to the Victorian Government, and it is also creating a huge cost for the terminals and the infrastructure—I hate that word, but it will do for the present. That is causing the Victorian Government a great deal of embarrassment and it is causing a great cost to the industry.

I am sorry that this move is taking place, because in my country area Westrail is a tradition. The last committee of inquiry into grain freights and other freight rates reported that something should be done to improve efficiency, and this is a step in the right direction. As a National Country Party man, I know that any meddling in the railways has been abhorrent—not always abhorrent to the Labor Party, but always abhorrent to the National Country Party.

It is interesting to read the words of the late Mr Herb Graham on this matter. As I said in my valedictory for Herb Graham, he was a great orator, and a man who knew his job. In fact, he came from Narrogin, so he knew what he was saying. The Press acknowledged that Herb Graham always said the right thing at the right moment. It is interesting to note how he felt about the legislation that he introduced in the Legislative Assembly on behalf of the Minister for Railways, who was in this Chamber. I think that was Mr Strickland.

The Hon. G. C. MacKinnon: Mr Harry Strickland.

The Hon. H. W. GAYFER: I will quote some extracts from Herb Graham's speech. It is interesting that when the vote was taken to close 842 miles of railway line—Mr Graham was rather apologetic that it was not 2 000 miles; it should have been 1 450 miles, but the Government settled on 842—the whole of the Liberal Party and the whole of the Labor Party

voted for the Bill; the only people to vote against the Bill were the Country Party and Mr Stuart Bovell.

The Hon. Fred McKenzie: But since that time the National Country Party supported the closure of much more in excess of that.

The Hon. H. W. GAYFER: Since that time, the Labor Party has not been in government to bring about any of the matters recommended by Westrail, or else the Hon. Fred McKenzie would be doing exactly the same thing as the Government is doing now.

I will quote the words of the then Minister for Transport, the Hon. H. E. Graham, member for East Perth, speaking on an amendment as reported on page 3069 of *Hansard* No. 3, 1956—

First of all I express the hope that we are not to go through each line seriatim with the member for the district pushing the barrow in respect of the line. The expression "pushing a barrow" might be particularly appropriate because a vehicle of about the size of a barrow would suffice to move all the goods that are conveyed over some of the railways.

He then went on to say—

To hear some of those who protest, it would be imagined that the people in the areas concerned would be without transport or communication of any sort—in other words, that a heartless Government in Perth was going to cut them off entirely from contact with civilisation or alternatively that the charges that they would be called upon to bear would be so terrific as to impose a crippling burden upon them.

We can all indulge in flights of fancy; we can erect our men of straw and then have a certain amount of fun in trying to knock them over, but this is an important and serious matter to the whole of Western Australia. The railway system, unfortunately, is a mill-stone around the neck of the State.

I support the legislation.

The Hon. Fred McKenzie: You forgot one thing: They set up the railway road service.

THE HON. TOM McNEIL (Upper West) [5.58 p.m.]: A great deal has been said regarding deregulation and the establishment of the joint venture. I do not want to occupy too much of the time of the House by reiterating those remarks. It is sufficient to say that I have some disquiet about the SWATS report and the people who were involved in the formulation of that report in the early days—Mr Knott, the Director General of

Transport, and Mr Pascoe, the Commissioner for Railways. As I understand it, Mr Pascoe subsequently joined Mayne Nickless Ltd., in an advisory capacity. He may still be in that capacity on a part-time basis.

The Hon. D. J. Wordsworth: Why disquiet about that?

The Hon. TOM McNEIL: For the benefit of Mr Wordsworth, in the initial stages Mr Pascoe was one of the two people involved in the SWATS report, and he saw a need for the development of "Westfreight", which the Government has seen fit to ignore but to invoke a joint venture. Mr Pascoe subsequently left his position as Commissioner for Railways and took up an advisory position with Mayne Nickless. If Mr Wordsworth does not see anything wrong with that, I do. I would say it is passing strange. The move by Mr Pascoe to Mayne Nickless could be seen to be an indication that the Government is running hand in glove with that big transport enterprise.

The Hon. Fred McKenzie: Hear, hear.

The Hon. TOM McNEIL: Last night the Hon. Fred McKenzie said a number of Mayne Nickless personnel had been involved in the study which was carried out into the joint venture. He went to great lengths to indicate that, while it had been decided three representatives would come from Westrail and three from Mayne Nickless, some doubt existed as to who would be the independent chairman. I agree with the comment made by the Hon. Phillip Pandal to the effect that the chairman could not be an officer of Mayne Nickless, if he was to be independent.

Sitting suspended from 6.01 to 7.30 p.m.

The Hon. TOM McNEIL: Prior to the tea suspension I made the point that the Government should have paid more attention to the recommendations of the SWATS report. By not establishing "Westfreight" and allowing it to handle small traffic in a profitable manner, the Government has done this State a great disservice. The Hon. Mick Gayfer made quite an accurate assessment; he said that the deregulation of road transport is what we all seek. The areas of concern, allowing for that assessment, relate to the unknown effects the joint venture will have on country carriers. When the Minister replies I am sure he will acknowledge that the effects are unknown, and I point out that a number of carriers in Geraldton feel that their livelihoods may be affected in quite a severe manner.

The Hon. G. E. Masters: Why is that?

The Hon. TOM McNEIL: It is simply as a result of the unknown effects. Certainly we do not know what effect the joint venture will have until

it moves into operation. I suggest that the greater proportion of freight currently going by rail will finish up going by road. Allowing for the fact that Mayne Nickless has depots in most of the major country centres it is quite obvious it will have the inside run on any work going. Disquiet has been expressed by carriers in Geraldton who presently operate from the Mayne Nickless shed that it is not likely they will continue to obtain work to the degree to which they presently obtain it unless on a subcontract basis.

The Hon. G. E. Masters: It is up to Mayne Nickless to either agree or not agree, so they are still under the same threat.

The Hon. TOM McNEIL: That is exactly the point. If an operator is involved in a joint venture such as the one before us and has appropriate facilities to store the goods coming into an area and knows whether those goods are arriving by road or rail, surely that operator will have the inside run on any decision made. The point made by Geraldton carriers is obvious. One instance relates to a local carrier who always has enjoyed business from the Government in carrying the freight that goes to schools, community centres, and hospitals, but now he is not sure of the situation in which he will be when the joint venture operates. I realise the Minister has stated the door is already open—this work is up for competition—but I believe with everything being equal, Mayne Nickless, the agent, will have the inside run and local carriers will not know what is happening.

A local carrier may have purchased a vehicle in the last 18 months, a vehicle suitable for local carrying operations, but obviously that vehicle would not be suitable to go to Perth to pick up loads designed for semi-trailers. The vehicles owned by local carriers will not be suitable to compete.

The Hon. W. M. Piesse: There is no guarantee that they will want to go outside their areas.

The Hon. TOM McNEIL: The member is quite correct; that is an unknown factor. Once again the matter comes back to my point that Mayne Nickless will have the inside run. It will know what quantities of goods will arrive, how they will arrive, and when. Mayne Nickless will have the freight stored in its sheds. If any work is handed out to local carriers it will only be as a result of Mayne Nickless deciding to let a certain amount of freight go to subcontractors.

The Hon. N. E. Baxter: Also Westrail; it is a joint venturer.

The Hon. TOM McNEIL: The Hon. Mick Gayfer made the point that we should now be

preparing for the time when total deregulation takes place, and that is quite right. One of the fears of local carriers is that they will have to make provision for total deregulation, and give silly quotes in order to obtain the amount of business they require and at some later date try to adjust their books, raise their rates, or whatever, so that they can maintain a percentage of the work available.

The Hon. G. E. Masters: They have the work now, don't they?

The Hon. TOM McNEIL: Yes.

The Hon. G. E. Masters: They have to compete price-wise now. What will change?

The Hon. TOM McNEIL: This comes back to the point that the effects of the joint venture are unknown, and the very real fear of the people whose livelihoods could be affected is that the effects will cause them undue hardship. It is not enough just to say that we will have a joint venture with one company having the advantage of knowing what freight will arrive and when from Perth.

The Hon. W. M. Piesse: Don't you think Westrail knew what was coming up from Perth?

The Hon. TOM McNEIL: It did, and that situation will continue with the joint venture, but I believe the local carriers will be disadvantaged—that is my contention.

The Hon. G. E. Masters: I do not think they will.

The Hon. TOM McNEIL: For the first time in my life I hope I am wrong and the Minister is right.

The Hon. W. M. Piesse: Very modest.

The Hon. TOM McNEIL: I assure members I do not intend to take up much more time of the House, but I must refer to a debate to which I contributed, and which *Hansard* reported, on 20 August 1980, page 620. I referred to the Hon. Mick Gayfer and a meeting held in his electorate which Mr Rushton attended. I said—

... when challenged about the cost of beer freighted by Westrail the Minister admitted that transport of beer was a profitable venture but said that he looked forward to the day the zones could be expanded and Westrail could be more competitive.

Deregulation of road transport presents real problems; and, as stated by the Minister in his second reading speech, and by the Hon. Mick Gayfer and other members, the deregulation of road transport is intended to be a situation in which profitable ventures will exist. Certainly as the Government has stated it will come down on

the side of the consumer, and in all probability the costs of freighting goods will be cheaper. Certainly in regard to the freighting of beer, deregulation would mean decreased costs. On that same day in 1980—20 August—I referred to the cost of transporting one tonne of beer to Carnarvon from Perth, which is more than double the distance to Geraldton from Perth. From Perth to Geraldton the cost was \$65.10, and to Carnarvon \$40.75. The Minister in his statement admitted that beer was a profitable item for carriers, and adopting the same theory of prices being consistent in both areas, Geraldton should have the benefit of a \$45 discount on each tonne of beer delivered to Geraldton provided it is transported by road and not rail. An anomaly I see if local carriers are given the opportunity to take a truckload of beer from Perth to Geraldton, although as I have said I do not think local carriers will be given such an opportunity, is that the price paid to transport that one tonne of beer may not decrease. The Minister assures me that beer is one of the freights to be deregulated and open for competition.

The Hon. G. E. Masters: That is correct.

The Hon. TOM McNEIL: I hope that happens.

The Hon. G. E. Masters: It will.

The Hon. TOM McNEIL: But will there be a reduction in the cost to the consumer?

The Hon. P. H. Wells: But will you forget about cool drinks?

The Hon. TOM McNEIL: I would not forget about cool drinks.

The Hon. P. H. Wells: If beer is cheaper they will drink more.

The Hon. TOM McNEIL: I recall the Hon. Sandy Lewis saying he would offer the Hon. Peter Wells soft drink or beer if the Hon. Peter Wells went to his house.

The Hon. P. H. Wells: I thought there would be more people in your electorate who drink soft drink.

The Hon. TOM McNEIL: The final point I make is that even though I appreciate the remarks of my honourable colleague regarding the pruning of the system and making road transport a viable proposition, I think there are areas for suspicion.

The Government suggested a joint venture situation to Mayne Nickless, and Mayne Nickless virtually told the Government what it was prepared to do in a partnership. First of all it wanted to get rid of 250 employees so that smalls traffic will be viable. That is very good, but what will happen when those people are taken in by Westrail generally?

The Hon. G. E. Masters: The deficit will be reduced.

The Hon. TOM McNEIL: What will happen to the deficit in general?

The Hon. G. E. Masters: The joint venture will save us money.

The Hon. TOM McNEIL: That will be with smalls traffic.

The Hon. G. E. Masters: It will save us money in our overall deficit.

The Hon. TOM McNEIL: Does the Minister believe that by transferring 250 employees from one section to another the section to which those employees go will not incur greater costs?

The Hon. G. E. Masters: There will be a fair bit of wastage through retirement, etc.

The Hon. TOM McNEIL: Now that everyone else has tried to make my speech, I will try to speed things up by making my concluding remarks. The joint venture is an example of a private enterprise company being able to get into an operation in which the unprofitable side has been taken out and in which it will have the inside run in what is being done. In the case of this joint venture Mayne Nickless will not have to suffer the unprofitable side of Westrail and will have the inside run on goods going through the various regional centres, and my main concern is the effect this will have on the livelihoods of local carriers and the effects generally on consumers in country areas.

THE HON. TOM KNIGHT (South) [7.42 p.m.]: My comments will be brief, but I must refer to the numerous comments made to the effect that country members have not contributed to this debate. I thought I should at least say something. In the initial stages of the proposition I doubted whether the joint venture would work and whether it would be in the interests of the people of this State. But following numerous representations to the Minister and questions asked of him and his department, and knowing the research and background of the investigations that took place in bringing forward this policy, I decided to support it.

Governments win elections by pleasing people: it is most unlikely that this Government would not want to please the electorate and would bring in something to which it cannot be fully committed, and which would not be to the benefit of the people of Western Australia, especially with an election some 12 months away. On that basis the proposed change shows we are quite sure that what we are bringing forward will be appreciated and will be to the benefit of the people of this

State, as it will benefit the Government of this State financially. I support the Bill.

THE HON. D. J. WORDSWORTH (South) [7.44 p.m.]: I indicate my support for this legislation. Historians in future years will be rather amazed at how long it took this State to introduce reform into the transport system of the south-west of the State.

The Hon. J. M. Brown: You are reflecting on yourself now.

The Hon. D. J. WORDSWORTH: I hope I am not.

The Hon. J. M. Brown: Yes you are because you were a Minister for Transport once.

The Hon. D. J. WORDSWORTH: I ask the honourable member to allow me to speak. Although some reform and research was commenced during the last three years of the Brand Government, unfortunately that work ceased during the three years of the Tonkin Government.

I can see, from the manner in which the subject has been debated today, the reason that it received a setback at the time. After the Tonkin Government—when Sir Charles Court first formed a Ministry—the present Premier, Mr Ray O'Connor, took over the Transport portfolio and the SWATS report was finally formulated. As has been mentioned by Mr Brown, it was my responsibility, as the Minister who took over from him, to actually formulate the policy and ensure its implementation.

One of the great attributes of the SWATS report was the complete understanding and general agreement on each step on the part of all sectors of the transport industry, and that includes Westrail. Nothing has been introduced today that was not fully planned five years ago. Half the people who were formulating the SWATS report were Westrail staff and it was with their concurrence that the policy allowed the transport users to choose the way in which they wished their goods to be transported. It is not difficult to remember the stifling effect the enforced use of rail had on transport in this State.

I was a new land farmer in Esperance in the late 1960s and I recall the difficulty we had in obtaining spare parts and the like from Perth. The only air service was provided by a DC3 which operated via Albany, Esperance, Kalgoorlie, and back to Perth. It was so slow that if a person rode a motor scooter from Albany to Perth he would arrive there before the aircraft, because it had to travel via Esperance and Kalgoorlie.

If one sent goods to Esperance there was a reasonable chance that they would never reach their destination, because freight occupied the surplus space only after everyone had been weighed in before boarding the aircraft.

If one wished to consign one's goods by rail—and I recall the goods had to be at Perth Railway Station by approximately three o'clock on the Wednesday—the goods were unloaded in Esperance on Saturday. That is how long it took for goods to be delivered to Esperance. One had to decide whether one would risk sending one's goods by air, paying a high fee, and having them off-loaded, or taking a four-day rail delivery to the port.

I remember when the late Premier, Sir David Brand, visited the town about 1970 and met the Esperance development committee which persuaded him to allow a utility to travel from Perth to Esperance daily. That seems a rather odd breakthrough—a utility was allowed to travel from Perth to Esperance, provided of course the charges were high enough and that people were not encouraged to make too much use of that facility. The service was confined to important items only, including a daily newspaper. Fortunately, that service has remained and has become an integral part of the transport system. However, it took a long time for that one breakthrough.

The Hon. J. M. Brown: They must have had a good member then.

The Hon. D. J. WORDSWORTH: Until then, Esperance had to rely entirely upon the railways. The rail to Esperance was not standard gauge at the time, so goods had to be off-loaded at Kalgoorlie. After that time, we received permission to carry wool to Albany by road and a franchise was given to Brambles; that was a great breakthrough for road transport and for the Albany woollen sales.

At that time if the wool was to be railed for sale at Albany it had to go to Kalgoorlie, Northam, then down to Albany. Efforts were made then to obtain more support and therefore keep the sales going in Albany, so the extra wool from Esperance was very important.

I can remember at one time I went to the Transport Commission and asked that the company which was allowed to carry wool in trucks to and from Esperance be allowed to cart local yachts to Perth so that they might compete in the Flying 15 championships. That was far too much for the transport system of this State, and we were told that if the yachts were to participate they would have to go by rail. Members can

imagine the scene if they were off-loaded at Kalgoorlie. That is how stifling the transport system was in this State when everything was forced onto rail.

The unsung heroes of that time were the owner-drivers who used to sneak through in the dead of night with various goods, hoping not to be caught by the transport authorities.

I recall the time when I had my first woolshed sent down from Perth. Once again, I requested that I be able to hire a road transport to carry it but that request was denied, as was the case with everyone. So, the shed was loaded onto road transport, for the trip to the railway station, with the light materials on top and the strong frames below. The goods were offloaded at the Perth Railway Station where the light stuff was placed on the bottom and the heavy stuff placed on top. This was sent all the way to Kalgoorlie where it was trans-shipped on to narrow gauge, perhaps once again upside down. On arrival at Esperance the materials then went by road transport to my property and I had to work on the frame with a sledgehammer to try to straighten it. The corrugated iron became waterstained and rusted very quickly in the salt-laden Esperance air. That gives some idea of the hindrance which transport caused to the development of that part of the State.

It was in this atmosphere that the SWATS report was conceived. The people of Westrail have always been aware of the economic consequences of each move and they determined how Westrail could live with it and indeed, benefit from it. It is not surprising that the Commissioner of Transport, Mr Don Dyson, and the Commissioner for Railways, Mr Jim Pascoe, presented me with a report on the cartage of freezer goods.

In spite of what Mr McKenzie has said, I do not recall the Director General being involved in that particular study. However, those two gentlemen came to me with the recommendation that freezer goods should be carted by road.

The Hon. J. M. Brown interjected.

The Hon. D. J. WORDSWORTH: If I recall correctly it was a rather concise report of approximately five pages which laid down the argument well. It was easy for me to take it upon my shoulders to accept those recommendations.

As this matter has been raised, I might explain it a little further because this was probably one of the first major changes made to the transport mode in the south-west.

At the time, much of the timetabling of the trains was based upon the need to deliver freezer goods to the various towns. While the proposal

did show that the actual cost to some towns would increase, when one realised how small that traffic was and the little consequence it would have upon those towns, one realised it would not have such a major effect upon the whole transport system of the State.

Some of these towns received a few kilograms of frozen goods twice a week. Westrail still had to maintain continuous staffing at the railway stations, even for small quantities of incoming goods. The consignee had to be present to receive the goods, it was not a door-to-door delivery service. It was not possible to have a refrigerated truck at every railway station in the State, so the consignee had to be present to collect his goods from the railway platform. Often, the delivery was in the evening or early morning, and if the consignee was not present the goods stayed on the platform for some time.

If one were to ignore the high cost of having a consignee waiting for his goods, one could say, "Yes, the cost to the people in those towns would be of the order of 1c or 2c a week"; however, if one looked at the true cost of the service and included the charges of the storekeeper, the situation would be no different if the deliveries were put onto road; the costs of these items would not increase. It must be remembered that at the time, not all refrigerated traffic was carried by rail. The major suppliers of chilled and frozen goods, such as Peters, and the like, used their own road transport.

There was no way in which Westrail could handle such items as chocolate-coated ice cream and other confectionery. All that was removed at that time was the necessity for Westrail to supply that service. As I said, the major companies already had trucks on the road.

The Hon. Fred McKenzie: Peters were utilising rail at that time in some areas.

The Hon. D. J. WORDSWORTH: Yes, in some areas and for some foods. A network of road transport services was operated by the major companies to deliver their goods. Westrail was left with the residual traffic, and it was necessary to franchise a carrier to deliver those goods.

The Hon. Fred McKenzie: So you took freedom of choice away from these people. Some of them wanted to use rail.

The Hon. D. J. WORDSWORTH: That statement shows the ignorance the member; it was not a matter of freedom. Perhaps we could say that freedom had been given to those who had their own vans to use them if they could gain permission to do so from the Transport Commission.

The Hon. Fred McKenzie: What about when Peters wanted to keep using the rail? You would not let them. Many people wanted to continue to use the rail.

The Hon. D. J. WORDSWORTH: Not at all. Peters has the opportunity still to use its own vans or the franchised road carriers.

The Hon. Fred McKenzie: It could not use the rail even if it wanted to.

The Hon. D. J. WORDSWORTH: It still has a choice, and what is more, the storekeepers now have a door-to-door service. Deliveries were made right to their freezers; this was probably one of the greatest breakthroughs they had received.

The Hon. Fred McKenzie referred to the selling-off of the surplus freezer equipment by Westrail. At that time Westrail had some modern equipment, but most of its equipment was fairly old. Westrail had to make a decision as to whether it would replace that equipment. It was an economic move for Westrail to go out of this business and to reschedule its railway timetable and allow a private carrier to transport chilled goods under franchise. Since then, as members probably realise, still more freedom has been given and most of the franchise arrangements have ceased. If people are willing to cart those goods they may do so, and every town is being well served.

I return now to the SWATS report. As I stated, at least half the people concerned with the formulation of this report were executive staff of Westrail. They knew well what was coming. The report was drawn up in such a way that Westrail would not be hurt too much by the implementation of the recommendations. Westrail could phase out gradually the traffic it was not able to handle easily and the heavy goods traffic would be protected for Westrail. Needless to say, it is the heavy goods which Westrail is best able to cart.

Mr Pascoe was one of the people who had to make recommendations to the Minister. I admire him for the manner in which he did this. I was sorry to hear the Hon. Tom McNeil speak harshly about his going to private enterprise. That is probably one the best things that could have happened; he is a man of vast experience.

The Hon. A. A. Lewis: An acknowledged expert.

The Hon. H. W. Gayfer: He was asked to sort out the Granville rail disaster.

The Hon. D. J. WORDSWORTH: Yes, Mayne Nickless Ltd. was very wise to make use of Mr Pascoe's services.

As a result of Mr Pascoe's being consulted on this matter, Westrail will have a much bigger chance of picking up the bulk traffic than will be generated by the joint venture. I for one am very pleased to know he is still involved because no other person would have a better idea of the whole concept than he. He has been in this all the way, protecting Westrail's share of the traffic and ensuring that Westrail will be able to live with the changes that are to take place.

The Hon. Mick Gayfer told us what has happened in some of the other States. The user of transport has demanded more freedom of choice, and in both Victoria and New South Wales, the deregulation of the railways has not been very successful. Indeed, it was accomplished at great cost to the Government. If I recall the figures correctly, the NSW transport system is losing currently about \$0.5 billion a year, and it is expected that the loss will increase to \$1 billion a year in a few years' time. This is a staggering amount of money for one department in one State to lose.

We realise that Australia is said to have a balance of payments problem. I think it has a deficit of approximately \$3 or \$4 billion yet here is one transport system in one State contributing \$0.5 billion to that deficit. If other States had grasped the problem and planned as well as we have done in this State, Australia would not be in as many difficulties as it is today.

It was also during my period as Minister for Transport that the Meekatharra railway line was closed. Again, this matter was raised by the Opposition. All I can say about the closure is that it has proved to be a great success. I know many were hesitant about its closure, and I particularly recall the local member, Mr Peter Coyne, speaking strongly against the closure of the railway line. Today he is one of the first to congratulate the Government on the steps it is taking in regard to Westrail. He realises what the change to road transport has meant to his electorate. Without doubt the people have a far better service than they had before.

Westrail was committed to carting ridiculously small amounts of goods to isolated towns—a task it could not carry out efficiently. At that time the railway line was in a shocking state—it practically needed a man walking in front of the train to make sure the train could get through. Yet no Government before had had the confidence to say, "We will close the Meekatharra line."

As Minister for Transport I set up a committee to implement the changeover. It included

representatives of the towns concerned with the closure, the Commissioner of Transport or one of his staff, and members of the staff of Westrail, and it formulated a very good alternative system. Cartage contracts went out to tender, and, as has been mentioned, the costs were reduced by two-thirds. The knowledge we gained from the closure of the Meekatharra line and the transfer of refrigerated traffic to road transport, enables us to predict what will happen with the implementation of this legislation. Indeed, just the other day the Minister for Transport said to me that the two moves to which I have referred—the closure of the Meekatharra line and the transfer of the refrigerated traffic—were probably far more difficult than the one we envisaged now. I have the greatest confidence in the proposed joint venture.

I would like to refer to one other example to illustrate the point I have been making. Often people think that because a Government is "wasting" a great deal of money on a particular service, or that a particular service is being cross-subsidised by other users, when the service is removed, the costs to the consumer will increase. This is not necessarily so. A great deal of money was being lost on the Meekatharra line—it was known that Westrail was losing over \$1 million a year. By reformulating the transport mode, we managed to save the consumers' money. Some people are apprehensive about these changes because they know the amount of money being poured into these services now.

The Hon. Fred McKenzie: Have you not had to put more money into roads in the Meekatharra area?

The Hon. D. J. WORDSWORTH: Some promises were made to upgrade roads. To be honest, I do not believe that the Main Roads Department felt it was necessary. The Government was happy with the saving of \$1 million. I think the changeover meant an extra three trucks a day were travelling on the main road—an insignificant amount.

The Hon. N. F. Moore: I think it was a little more than that.

The Hon. D. J. WORDSWORTH: I am not sure about that. Because of the saving to Westrail, the Government was able to seal the road and everyone has been able to enjoy the benefits. Nobody is complaining at all.

The Hon. Fred McKenzie: The roads are satisfactory in that area?

The Hon. N. F. Moore: They could be a bit better—we are working on it.

The Hon. D. J. WORDSWORTH: Very few of our roads are being used to capacity. Certainly the gravel roads, such as the ones mentioned, are not being used to capacity. If we can save money by not subsidising the railway to such a large extent and use that money on the roads, everyone will benefit.

In conclusion I would like to refer to an occasion when a third readymix cement plant was to be built in Bunbury. The first readymix plant had its own siding and the cement was delivered to the siding by rail. There was no siding at the second plant, but Westrail decided that it would cart the cement from the nearest siding to the plant at no extra cost. However, the proposed third plant could not be serviced in this way. As the Minister I was willing to allow the new plant to cart by road. It is interesting that it was reported to me that the probable savings to be enjoyed by the plant which was able to use road transport would mean that it could put the plants using rail out of business.

This example is typical of what can happen. I believe we will have a far better and a far more efficient small goods traffic through the rural areas of Western Australia when this legislation is implemented. I commend the Government and the present Minister for Transport on the adoption of this plan and the presentation of this measure.

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [8.13 p.m.]: I listened with great interest to the speeches made, and particularly to the speeches of the members on the Government side, because a number of these speeches were made by people who have a great knowledge of the transport system of Western Australia. Obviously when the Hon. David Wordsworth was the Minister for Transport he dealt with many problems, and quite likely he was one of the prime movers in getting underway such operations as the one we are discussing.

I gave the Hon. Mick Gayfer some information this morning, and it seems that was a good idea. His speech covered almost every aspect of the measure, and he was able to answer many of the points I would have had to answer. It may be a good thing to take the same course in the future.

The Hon. H. W. Gayfer: Except for one thing—the only information you gave me was in that speech.

The Hon. G. E. MASTERS: I stand corrected. Some comments were made that some members of this House were criticising people who work on the railways and the general administration and operation of Westrail. This is not correct. The

Hon. Sandy Lewis made it quite clear that he was not criticising people who work on the railways. In fact, he commended them, and we on this side of the Chamber commend them also.

The Hon. Fred McKenzie: He criticised the efficiency of Westrail.

The Hon. G. E. MASTERS: We criticised the efficiency of and the problems that arose through the system. However, certainly we did not criticise the people who work on the railways. We commend them for their efforts over many years. Obviously we need to look at the operations of such utilities as Westrail. We must consider where such a body is going, and the cost of its operation to the public—if there is a cost. We are saying simply that we are looking at deregulation wherever possible. The Hon. Jim Brown was quite upset when he spoke yesterday on the Bread Bill. He said we were taking deregulation too far. The Government believes that is not the case. We believe this is a perfect example, and an opportunity to deregulate for the benefit of the community in general, and in particular, for those people in country areas.

The Hon. Fred McKenzie: You are regulating Westrail.

The Hon. G. E. MASTERS: It is not true to suggest that we are turning our backs on country people. That is far from the fact. We are seeking to help them and we are convinced that all sections of the community will benefit by lower costs, and all sections of the country will benefit by more competition and better services. We are not blaming anyone for the way the system has developed. We are tidying it up and there will be great progress.

I have listened over a period of years, mostly with pleasure, to the Hon. Fred McKenzie, and generally I have enjoyed his speeches. I did not enjoy his effort in this debate and I suspect that neither did he. I do not think it is his nature to use a stolen document, and one that is obviously a draft document which does not contain the full details. Yet, he used it freely as a demonstration of what has taken place and as a base document. He knew that document was going to be changed and that it would not be the final proposition accepted by Westrail and the Government.

I have a copy of that document and it is clear that changes were planned because there are question marks written in the document and other remarks as well. I am surprised that the Hon. Fred McKenzie would base the major part of his speech on a stolen document, and one about which he must have had strong doubts.

The Hon. Fred McKenzie: You admit then that it is authentic. You had doubts yesterday.

The Hon. G. E. MASTERS: I would say it was drawn up for a purpose. It was a draft which was changed later on. The lead spokesman for the Opposition used a document which he knew would not be the final document and made statements which, I am sure, he did not believe were true. He tried to change the direction, or perhaps mislead the House.

The Hon. Fred McKenzie: I quoted from the document.

The Hon. G. E. MASTERS: The Hon. Fred McKenzie knew almost certainly that the document was not correct. I shall demonstrate how wrong he was in arguing that it was a final document.

The Hon. Fred McKenzie: Table an up-to-date one.

The Hon. G. E. MASTERS: I am making the speech. The Hon. Fred McKenzie should never use stolen articles as a basis for his speech because it makes the speech a farce, and it makes him the laughing stock of this House.

The Hon. Fred McKenzie: That is your opinion.

The Hon. G. E. MASTERS: Members will have strong doubts when the Hon. Fred McKenzie makes speeches in future and quotes from documents. They will ask, "Is it stolen? Is it up to date? Is it genuine?" In this case, it was not and I believe the Hon. Fred McKenzie knew that before he made his speech.

The Hon. Fred McKenzie: I did not know it was stolen.

The Hon. G. E. MASTERS: It fell off the back of a truck?

The Hon. Fred McKenzie: That is right. That is what I was told.

The Hon. G. E. MASTERS: I hope the Hon. Fred McKenzie is not serious and that he does not take us for fools.

I would like to correct one statement that he made about the directors of the joint venture. He said there would be three from Westrail, three from private industry, and one chosen as an independent. That proposal was contained in the draft document, but it will not come about. There will be three directors from Westrail and three from industry and one of those will be the chairman. The first chairman will be a member from Westrail. It is wrong for the Hon. Fred McKenzie to make the sort of statements he made. It is improper and it makes a fool of him.

Perhaps after those remarks I should resume my seat and say that is all the Opposition's arguments are worth. However, there are one or two matters to which I wish to refer.

This venture takes into account the loss suffered by the railway system in handling smalls traffic. As a Government with a good management programme we must consider the economy and the effects on people's pockets of those losses. If there is an option and it is workable and of benefit, in the management of the public purse and the Treasury, we should take that option after due consideration. That is exactly what we are doing in this joint venture. I do not believe that the Government and the public must accept these costs and extra taxes all the time. I suppose the Opposition expects that public utilities and services will run at a loss and that the public will stand for it. I do not believe they will, and where an option is open to us, I believe we should take it. The public will not pick up the tab all the time.

We know the Hon. Fred McKenzie believes in the welfare State and in nationalisation wherever possible. He also believes in deficits and inefficiency if it suits his purpose. As a responsible Government we will not and cannot follow that sort of policy. The smalls traffic section of Westrail loses \$7 million a year. We must consider that cost in a State of 1.3 million people and what it will buy in the way of new schools, hospitals, and welfare services.

The Hon. Fred McKenzie: What will it cost in unemployment?

The Hon. G. E. MASTERS: There will not be any unemployment. The honourable member knows well that the question of employment has been taken into account. The honourable member's attitude is typical. When we debated the Perth-Fremantle railway, the Hon. Fred McKenzie said the ALP would replace it at any cost. By way of interjection I suggested a figure of \$100 million, and he replied that if it cost that much, then so be it. The Opposition's attitude is one of doing it at all costs, regardless of the public purse.

The Hon. Fred McKenzie and the Hon. Jim Brown asked how money will be saved on the smalls traffic. Westrail carries about 300 000 to 325 000 tonnes of smalls cargo each year. The private sector part of the venture has a 60 000 to 80 000-tonne operation. So we are looking at a joint venture which can count on about 400 000 tonnes of smalls traffic. I know there will be competition and the joint venture may lose some of its trade, but if they are good operators, they

can pick some up. They will start with an efficient service and a large part of the market; it will be 400 000 tonnes at least. Westrail has the facilities and the goodwill of business. Total Transport Services has the expertise, the management, and the ability to run a profitable enterprise; and it has proved it by building up its operations to 60 000 to 80 000 tonnes. So there is a strong base from which the joint venture can work.

It will avoid duplication and it will save those two systems—and Westrail and Total are very powerful—from competing against each other. There will be open competition from trucks, for example in a small town. A farmer may decide he wants to go into the transport business, and he will be able to do so. So in both the city and in country towns the smalls traffic will be open to general competition. This must produce a better and more competitive service.

The Hon. J. M. Brown: You have convinced me with that simple statement!

The Hon. G. E. MASTERS: The honourable member must make up his mind what he wants to do. Is he for greater deregulation or for more regulation? I challenge the honourable member to go into his electorate before the next election and say that the ALP will reverse our decision.

The Hon. J. M. Brown: We certainly will. You are quite right about that.

The Hon. G. E. MASTERS: I hope those people opposing the Hon. Jim Brown in his electorate will read *Hansard* and realise that their local member is opposed to free competition in their town. He will be in for a great shock early next year.

A number of matters were raised by honourable members. The Hon. D. J. Wordsworth has dealt with the closure of the Meekatharra line and the benefits that have resulted by way of lower costs. There is no doubt about that; many examples of lower costs can be given.

The Hon. J. M. Brown: Are there cheaper freights?

The Hon. G. E. MASTERS: Is not the honourable member aware of that?

The Hon. J. M. Brown: I understand that freight rates to Cue are not cheaper.

The Hon. G. E. MASTERS: I am not going to argue with the honourable member about that, but I can quote a lot of figures for Mt. Magnet, Cue, and Meekatharra. I will quote some figures at random for Cue, starting with the rates for timber. By rail in the old days it was \$61.30 a tonne and it is now \$46.61 a tonne. Wool was \$42.63 a tonne; it is now \$26.40 a tonne. Cement

and lime are now \$46.61 compared with \$75.20 previously. Beer was \$75.20 in the old days and it is now \$46.61. I am talking about freight rates and the benefits to the people of Cue.

The Hon. Fred McKenzie: Can you give me the rate for fruit and vegetables?

The Hon. G. E. MASTERS: The rate was \$51.81 and it is now \$83.60. That has gone up a little, but it is the only one. All the other rates have come down. Is the Hon. Fred McKenzie suggesting that because one rate has gone up it is a bad thing? I am quite happy to table these figures because there is no doubt there is an enormous benefit to the public in those areas.

The Hon. Tom Knight: Speaking of what the Opposition proposes to reinstate, will the Hon. Jim Brown reinstate the Fremantle-Armadale line?

The Hon. G. E. MASTERS: I think he will be very quiet once this operation gets under way and the benefits flow to the people in his electorate.

The Hon. Tom McNeil said some local carriers would be concerned because they were not sure what would happen. I can understand their concern. But if I were operating a truck in Geraldton, I would be starting negotiations and looking around to see what operations I could be involved in. The joint venture will be only one of those operations, and it is open for competition. Trucking companies will be able to compete openly. There will be work and opportunity for them. Local carriers will have no problems once the joint venture gets under way. I have covered briefly the points raised in the debate because so much has been said accurately by members on this side of the House. I urge all members to support the Bill.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. R. J. L. Williams) in the Chair; the Hon. G. E. Masters (Minister for Labour and Industry) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 8B inserted—

The Hon. FRED McKENZIE: This clause deals with most of what we have been talking about, facilitating as it does the creation of the joint venture. I make it clear that our argument is not so much that the joint venture will take place but the fact that it has had to take place. Its operation runs contrary to the recommendations

contained in the SWATS report. I quote from section 5 of the main conclusions as follows—

That the handling of small freight consignments and parcels be transferred to a new and separate division of Westrail, to be known as Westfreight.

Following consideration of that, the co-directors brought down recommendations of their own. The co-directors were the Director General of Transport, Mr J. E. Knox, and the former Commissioner for Railways, Mr R. J. Pascoe. In paragraph 7 on page 7 of their recommendations the following can be found—

The Commissioner of Railways be charged with establishing a new organisation to serve as a distinct and separate vehicle for the commercialisation of Westrail. The co-Directors suggest it could be called "Westfreight". Westfreight would be controlled by Westrail and would compete with road operators for any commodity group opened to competition.

While Westfreight will need to be established from the outset as a commercial organisation it will also need to have the capacity to provide public service where Government decrees that such service is required. Consequently it will need to have an adequate understanding of its cost structure for commercial reasons and to demonstrate to Government what the subsidies need to be for the execution of the public service, subsidies essential if the commercial component of its operation is to remain viable. It follows that Westfreight, to be successful, must be established and allowed to function in all respects as a commercial entity rather than as a Government agency.

Westfreight will, in the course of its business, run its own transport and/or hire the services offered by Westrail or any other transport operator in similar fashion to any of its competitors in the transport industry.

That the Commissioner of Railways be charged with initiating the changes necessary to establish Westrail as a commercial undertaking capable of responding to the more competitive environment envisaged in the future.

The following was emphasised—

As a qualification the co-Directors strongly emphasise that their recommendations, if not implemented in their entirety, could bring about a situation in the transport sector not nearly as good as

would pertain if the existing policy were to continue.

The Hon. P. H. Wells: What is this document?

The Hon. FRED McKENZIE: I am quoting from the co-directors' recommendations, and a copy can be found in the library. It is not something that fell off the back of a truck. To continue—

The penalties for partial or piecemeal implementation would be financially significant for Westrail solvency and, even more importantly, for success in achieving the efficiency objective.

What happened following the recommendations was that this Government or its predecessor—both Liberal Governments—chose to ignore not only the SWATS report recommendations on this matter but also the recommendations of the co-directors.

The Hon. D. J. Wordsworth: It is pretty fitting that Jim Pascoe is a consultant for Mayne Nickless Ltd.

The Hon. FRED McKENZIE: He has recommended that this area of Westrail's operation be left with "Westfreight", where it ought to be left.

When the Government amended the transport legislation in December 1979 it specifically excluded the public sector from entering into this sort of an arrangement.

The Hon. A. A. Lewis: If it is good enough it can compete.

The Hon. FRED McKENZIE: The public sector cannot compete.

The Hon. A. A. Lewis: Are you telling us it is inefficient?

The Hon. FRED McKENZIE: It cannot compete because of the amendments the Government made to the transport legislation. The Government indicated that where a service could be provided by private enterprise, Westrail was not to compete. The Government discriminated against the public sector so that the private sector could grab all the business. This meant there was no competition, and eventually the private sector will charge what it likes. Earlier today the Chamber passed the Bread Bill, where the same sort of thing took place. Members opposite look after the big cartels. Many Government members are doing this innocently, not being fully aware of the consequences.

The problem facing Opposition members is that, when we get into Government, members opposite will still have a majority in this

Chamber. It will be hell's own job for us to change this legislation.

The Hon. G. E. Masters: That is not a very positive approach before an election.

The Hon. P. H. Wells: Are you accepting defeat?

The Hon. J. M. Berinson: It is not being negative; it is understanding the gerrymander.

The Hon. FRED McKENZIE: Sooner or later the people will wake up to what is happening. For a long time they have suffered because of the undemocratic election of members to this Chamber; but who knows, it may be actions like this that will bring about a change.

It was quite unfair for members opposite to discriminate against the public sector. What did the Government have to fear?

The Hon. D. J. Wordsworth: A loss.

The Hon. FRED McKENZIE: The Hon. Mick Gayfer referred to what a Labor Government did back in 1956.

The Hon. H. W. Gayfer: Does that hurt?

The Hon. FRED McKENZIE: No, but the member failed to say that in abandoning the rail network—the 842 miles—the Labor Government put a railway road service in its place, which the member's Government is now set to destroy.

The Hon. H. W. Gayfer: Brookton does not have a road service.

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): I am finding it extremely difficult to relate the member's remarks to the clause. I ask that he get back to the clause.

The Hon. FRED McKENZIE: A similar road service should be extended to meet the recommendations contained in the SWATS report. However, the Government deliberately prevented that happening.

During my speech during the second reading debate last night I read the submission put to the SWATS study from the Road Transport Federation. The Government has adopted that submission *carte blanche*. This is the difficulty facing the public sector. When we become the Government we will make every endeavour to return to the public sector that which the Government is taking from it now. It may be very difficult, because the legislation will be on the book and members opposite will still have a majority in this Chamber.

Of further concern to me is the Minister's reply to the second reading debate when he indicated that there were inaccuracies in a document from which I quoted last night.

The Hon. G. E. Masters: In the stolen document you used last night.

The Hon. FRED McKENZIE: To my knowledge it was not a stolen document.

On reading this clause it appears to me that we will not have an opportunity to examine that document when the contract is agreed to. It will be one of those matters in respect of which, for commercial reasons, questions will not be answered in the House. We should be able to have the opportunity to examine that document.

Subclause (3) reads—

(3) Where pursuant to this section the Commission is a member of a body corporate or has entered into or participated in any arrangements with any person, the Commission may with the approval of the Minister dispose of any railway property or enter into any lease, contract or arrangement for the provision of any land, goods or services to the body corporate or to the joint venture for the purpose of facilitating the Commission's participation in or the business of the body corporate or joint venture.

That gives the commissioner, with the approval of the Minister, the right to enter into all sorts of arrangements. Before any such agreement is finally agreed to, members of both Chambers should be given the opportunity to examine such disposal of Westrail's assets. We are not talking about small items of equipment but about a very large portion of Westrail's assets. For that reason, I move an amendment—

Page 3, line 19—Add after the passage "venture," the following passage—

Before approving any proposal made under this sub-section, the Minister shall lay the proposal before each House of Parliament whereupon the provisions of section 36 of the Interpretation Act, 1928, as to the disallowance, amendment, variation or substitution of regulations shall apply to that proposal as if the proposal had been a regulation.

The Hon. G. E. MASTERS: I urge members to oppose this amendment. This Liberal-National Country Party Government makes no excuse for favouring free enterprise. It makes no excuse when, should an opportunity arise to encourage free enterprise to take its appropriate place in the community if it can offer a service, it does so. This is all part of the philosophy of free enterprise.

The member read a portion of the clause, but he did not give enough emphasis to certain parts

of it, so I shall quote the clause and give emphasis where I think it should be. I read as follows—

8B. (3) Where pursuant to this section—

This proposed section indicates that the commission may enter into arrangements for the carrying on of business. To continue—

—the Commission is a member of a body corporate or has entered into or participated in any arrangement with any person, the Commission may—

I emphasise the word “may”. To continue—

—with the approval of the Minister dispose of any railway property—

It is not simply a matter of the commission's taking things into its own hands. It has to make sure it has the approval of the Minister. This is for the purpose of facilitating the commission's participation in this business venture.

If members turn to page 4, Clause 6 of the Bill, they will see it says, “the Commission shall first obtain the approval of the Treasurer.” Not only does the commission have to make a recommendation and not only does the Minister have to approve it, but also the Treasurer and the Treasury then have to give their approval, so it goes through very careful stages. I think that is ample protection for this sort of activity.

Section 13 (2) of the Government Railways Act 1904-1972 states—

For the purposes of the construction, operation, alteration, improvement, management, maintenance, or control of any railway subject to this Act, the Commission may—

- (a) purchase, hold, take on lease, exchange or otherwise acquire, sell, lease or otherwise dispose of, and deal in, real and personal property; and
- (b) enter into, assign and novate contracts, and execute all such instruments,

as may be required for those purposes.

I am saying that a similar provision already exists in the Act. This is an Act that was drawn up by the Opposition when it was in Government.

The Hon. Fred McKenzie: The part you read out was not put in until 1979. You put it there in 1979. It was not done when we were in Government.

The Hon. G. E. MASTERS: If that is the case, I apologise. It is in the Act now. I have not heard the Opposition make any fuss about it before, but if in fact it was any later than I have stated, I again apologise to members. Not one word has come from members opposite up to this time and

because they are opposing the joint venture which we think will be of benefit to the community, we put the same proposition into the Bill we have before us. I do not think there is anything at all to fear. This Act has operated successfully and there have been no problems with it.

I urge the Committee strongly to oppose the amendment.

The Hon. J. M. BROWN: I support my colleague, Mr Fred McKenzie, in his amendment to subclause (3). I listened with interest to the Minister for Labour and Industry when he mentioned the safeguards contained in proposed new section 8B (3). However, even if it said “shall”, instead of “may”, I do not think it would make any difference. He also made reference to Clause 6, which states—

...the Commission shall first obtain the approval of the Treasurer.

This would be the Premier, of course.

The Hon. G. E. Masters: You would not think the Treasurer would take a bit of advice from the Treasury?

The Hon. J. M. BROWN: I acknowledge the Minister who is in charge of the policies of the transport system must have the approval of Treasury. The Government will control what happens to Westrail's assets.

The Hon. G. E. Masters: But Westrail has to sell different things such as sleepers, vehicles, and the like. They must do that sort of thing, surely, almost on a daily basis.

The Hon. J. M. BROWN: Yes. The proposition we are presenting in the amendment is that Parliament should know what is happening and that would be the effect of the amendment.

One of the Minister's Federal colleagues—the member for O'Connor—wrote in December 1981 to every local authority within his electorate. The letter reads as follows—

It is essential that residents of the affected areas have an opportunity early in the New Year to acquaint themselves with the possible effects of these proposals and the options available to them to protect local community interests.

No options are available to any local community to protect its own interests. This amendment at least puts forward a proposition so we know exactly what will take place. So there is no confusion about what he said, on 11 January 1982, Mr Tuckey, MHR, called on the rural community to set up a freight co-operative to enable them to control their freight transport

services. The report of his comments reads as follows—

... unless country people made an effort to influence the development of the transport system it would become centralised in the metropolitan area.

The proposed joint venture was not the only option and now was the time for users to think about what was best for them.

That is what he considered to be the problem. I have not heard any denials of that. It continues—

He said that to bring a major transport operator into the venture was only to mix two bureaucracies.

He called for a meeting, and it is not known whether or not it was well attended. There were people there who talked of certain operations which have fizzled out.

The Hon. P. G. Pendal: That has nothing to do with Wilson Tuckey.

The Hon. J. M. BROWN: I am referring to the alarm expressed by a person representing a large Federal electorate who had misgivings different from mine and who was saying to his electors that they should do something about this. All I am asking is that they have an opportunity to know what will take place. The amendment moved by the Hon. Fred McKenzie certainly affords that opportunity, and its adoption would be of benefit to the community. It represents a safeguard. After all, we as a Parliament should know what will take place.

I support the amendment.

Amendment put and negatived.

Clause put and passed.

Clauses 3 and 4 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. G. E. Masters (Minister for Labour and Industry), and passed.

RACING AND TROTTING: INQUIRY BY SELECT COMMITTEE

Motion

Debate resumed from 21 April.

THE HON. J. M. BERINSON (North-East Metropolitan) [8.56 p.m.]: I propose to move

three amendments to the motion. I will outline them to the House and thereafter seek guidance as to the best way of proceeding. The three amendments are as follows—

Part (1) paragraph (a)—Insert after the word "of" in line 1, the following words—

TAB funds generally is satisfactory and, in relation to the distribution of its surplus, whether the allocation of those

Part (1) paragraph (a)—Delete all words after the word "be" in line 9, and substitute the words "arrived at on some other basis".

Part (1) paragraph (c)—Insert after the word "racing" in line 1 the words "and trotting".

The effect of the first two amendments which I have outlined will be to make paragraph (1) read as follows—

That a Select Committee of the Legislative Council be appointed to inquire as to the suitability of the present laws relating to Racing and Trotting in Western Australia, particularly—

(a) whether the allocation of TAB funds generally is satisfactory and, in relation to the distribution of its surplus, whether the allocation of those surplus TAB moneys of 80 per cent each to the Club and the Association and 20 per cent each to Country Clubs, as provided in the Totalisator Agency Board Betting Act, 1960-1970, and originally based on stakes paid, is a fair and justifiable allocation, or should the percentage be arrived at on some other basis.

The preamble to paragraph (1) is in very wide terms and, if agreed to, would allow the committee to inquire into all aspects of the present laws relating to racing and trotting in Western Australia. Perhaps it could be said that that really covers the point of my proposed amendments.

On the other hand, since the motion, after setting out that very broad preamble, does particularise the various matters in subparagraphs (a) to (d), it is suggested that it would be preferable to amend subparagraph (a) to widen the scope of the inquiry beyond the limits set upon it by the terms of Mr Baxter's original motion.

In paragraph (1)(a) Mr Baxter draws attention to the desirability of considering the allocation of the surplus TAB moneys only. The effect of the first amendment I have proposed would be to have a Select Committee consider not only the

allocation of those surplus funds but also the allocation of TAB funds generally. That is, it would have the committee consider the allocation of funds which accrue before the question of surplus funds arises. In referring to the allocation of TAB funds generally before surplus funds are defined, we are really dealing with the use of TAB funds in three ways: Those returned to investors; those going to the Government; and those used for administration.

The amendment seeks to have the Select Committee pay some attention to that area as well. After all, if we are to have a thorough review of this nature, as Mr Baxter suggests, there really seems no reason to exclude consideration of that great part of the funds which goes in the three ways I have outlined.

It is for very much the same reason that I propose my second amendment. At the latter part of paragraph (1)(a) of Mr Baxter's motion it is suggested that we should inquire as to whether the present allocation is a justifiable one or should be based on TAB investments engendered by each section. In other words, as I understand it, what the motion is saying is that we should check whether the present allocation is justifiable or whether one other possible alternative is to be preferred, and only those two alternatives are offered within the terms of the motion, in its present form.

Again, the only effect of the second amendment which I have outlined would be to leave the question completely open to the Select Committee's consideration; that is, it could decide whether the present allocation should be continued, whether an allocation based on TAB investments engendered by each section should be introduced, or whether a third alternative is better than either of those systems of allocation. I assure members that nothing set out in these proposed amendments does anything to affect the views which Mr Baxter's motion implies. The Opposition agrees that it is desirable to have some sort of inquiry into these major industries.

All I am really proposing is that we should make clear when we come to directing the Select Committee's attention in certain directions, that it should not be encouraged to limit itself unnecessarily. I commend that view to the House, but before resuming my seat I ask the Deputy President (the Hon. V. J. Ferry) if he would give me some indication as to the preferable way of proceeding with the two amendments I propose to paragraph (1)(a) and whether or not he would regard it as being acceptable that they should be taken first and the proposed amendment to

paragraph (1)(c) be taken subsequently and separately.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): I believe it would be preferable for the Hon. Joe Berinson to move simultaneously the three amendments he proposes. I do so in the knowledge that this debate will not reach a Committee stage and that members will not be permitted to speak again on this matter. When it comes to putting the amendments before the House I will put them separately and members will have the opportunity to vote on them separately.

Amendments to Motion

The Hon. J. M. BERINSON: Thank you. I move the following amendments—

Part (1) paragraph (a)—Insert after the word "of" in line 1, the following words—

TAB funds generally is satisfactory and, in relation to the distribution of its surplus, whether the allocation of those .

Part (1) paragraph (a)—Delete all words after the word "be" in line 9 and substitute the words "arrived at on some other basis";.

Part (1) paragraph (c)—after the word "racing" in line 1 insert the words "and trotting".

THE HON. N. E. BAXTER (Central) [9.08 p.m.]: I trust the House will not agree with these amendments. It was never envisaged, when I introduced this motion, that it should go beyond the distribution of surplus funds between the metropolitan clubs and the country clubs—that applies to both thoroughbred racing and trotting. At the present time I do not believe there is any quibble from any quarter of the community in relation to the split-up of the totalisator investments for the various purposes—administration, TAB, and Government. The member is entering a wide field with his amendments. The only part of the Totalisator Agency Board Betting Act that has been amended has been that part dealing with the percentage split-up of TAB moneys—whether they be on-course moneys or off-course moneys. It was not envisaged that we go into this field and no-one has ever suggested to me that there should be an alternative in regard to the distribution of deductible totalisator fund percentage.

The motion I moved deals with surplus funds; not the amount taken out which, from memory, is 15 per cent and is distributed in accordance with the Act. I trust that members will not support this amendment.

The DEPUTY PRESIDENT (The Hon. V. J. Ferry): I might clarify the situation: Members wishing to address the Chair should do so in relation to any one or all three amendments. The amendment before the House involves three parts.

The Hon. N. E. BAXTER: Thank you. I acknowledge that there may be some substance to the second amendment, but there is very little difference between it and the motion. The motion states—

...or should the percentage be based on TAB investments engendered by each section;

This is the basis that is used in Queensland and Victoria—the investments engendered by each section. A slightly different system operates in New South Wales.

I do not believe the contents of the motion would inhibit the committee from investigating some other basis of distribution of surplus TAB funds, and I refer members to subparagraph (1) (d) which reads as follows—

(d) in event of the laws and *ad hoc* financial assistance being considered suitable or unsuitable in any respect, what changes, if any, should be made in the laws.

This covers what the member proposes in his amendment. The Totalisator Agency Board Betting Act covers this aspect. I believe that it is amply covered by the Act and that it is not necessary to include this amendment. On that basis I ask the House to oppose it.

In regard to the third amendment to add after the word "racing" in line 1, the words "and trotting", I advise the member that all forms of horse racing are covered by the word "racing". I deliberately omitted the word "trotting" from that part of the motion.

The Hon. J. M. Berinson: I used the word "trotting" to make it neater—like Mr Masters did with a particular Bill yesterday.

The Hon. N. E. BAXTER: The word "racing" applies to both thoroughbred and standard breed racing. I firmly believe that the motion thoroughly covers all aspects of racing. I ask members to oppose the amendments.

THE HON. R. G. PIKE (North Metropolitan—Chief Secretary) [9.14 p.m.]: The Government opposes the amendments put forward by the Hon. Joe Berinson and, of course, supports the comments put forward by Mr Baxter. The words "racing" and "trotting" are an exercise in semantics. The Government would oppose an extension of the inquiry into the Consolidated Revenue, as is proposed by the honourable

member. We also oppose what is proposed to be tacked on to the end of subparagraph (1) (a). On that basis the Government concurs with the motion and opposes the amendment.

Amendments put and negatived.

Debate (on motion) Resumed.

THE HON. TOM McNEIL (Upper West) [9.15 p.m.]: I support the motion moved by the Hon. N. E. Baxter. As members would be aware, considerable pressure is being exerted on the Government by the Western Australian Football League for a share of the betting action in this State. I wish to draw to the attention of members the situation prevailing in other States, particularly in the three States which currently are experiencing considerable difficulty in making ends meet. The racing body in South Australia recently appealed for assistance to the Government in that State, but was turned down flat. The Government suggested the South Australian jockey club sell its Cheltenham racetrack in order to raise sufficient funds to meet interest charges and loan repayments on the Morphettville stand.

In Victoria and Queensland, the Government subsidises racing to the extent of guaranteeing a minimum return on the distribution of TAB funds. Therefore, three States of Australia need Government backing from public funds in order to keep the sport alive.

In Western Australia, a total of 16.5c in each dollar invested on the TAB goes to the Government and is distributed in the following manner: 6c in each dollar goes to the Government; 5.5c goes to the TAB for administrative purposes; and, 5c goes to racing, trotting, and greyhound racing.

I refer members now to a letter written on 23 April by the WAFL to—I understand—all members of Parliament in support of a campaign it is mounting either to gain a share of funding from the TAB or on football matches in this State and in Victoria. The letter commences—

We understand that you, and other members of State Parliament continue to be approached by interests associated with the racing bodies in W.A., criticising football's application to Government for a share of T.A.B. profits.

So that we might rebut what we believe they say, may I take this opportunity to explain our attitude on the points drawn to our attention:

The letter contains some airy-fairy statements. The WAFL is working on the assumption that a

concerted approach to members has been made by the racing industry in order to ensure the WAFL does not receive a share of racing funds. Some members in this House have a vested interest in the racing industry. I inform members that, to my sorrow, I am one such member; I have only a one-sixth interest in a syndicate, yet it is still an expensive sport.

The Hon. P. H. Wells: You are declaring your interest, are you?

The Hon. TOM McNEIL: If I ever get out of this lot, I will never again become actively involved in the sport. I would say that, on hearing of my experiences, and those of the Hon. Norman Baxter, not many people would want to become interested in racing.

I would have thought a responsible body such as the WAFL would have ensured its affairs were an open book, so that the Government, Cabinet, and members of Parliament could investigate its situation and respond to its request. However, in the latest annual report of the WAFL, in contrast with previous years, the league has not included in its income and expenditure an itemised account of ground receipts and disbursements to clubs.

The WAFL has suggested in a 78-page submission to the Government that it should receive a small share of the 43 per cent of the turnover of the TAB which is generated in this State from Eastern States racing. In an argument designed to suit only the WAFL, that body has said, "What right has racing in this State to money generated on Eastern States racing?"

The Hon. P. H. Wells: The money is generated in this State.

The Hon. TOM McNEIL: My reply to that is to refer to the WAFL's own suggestion; namely, that because only four matches are played each Saturday in Western Australia, gambling should be permitted on both Western Australian and Victorian football matches, and to say, "What right has the WAFL to suggest that money generated on VFL football should go to the WAFL?"

I draw the attention of members to an inaccuracy contained in the WAFL letter of 23 April. One would have thought care would have been taken to ensure the accuracy of a letter of this type. The letter states that at Caulfield, Victoria, on Easter Monday, the stakes were \$106 000 whereas on the same day at Belmont, the stakes were \$145 000. The arguments of the WAFL have been presented in a very biased manner. In fact, on that day in Victoria, \$120 000 was paid out as stake money. So, the WAFL letter contains an error of \$14 000. Not only is the

case put forward by the WAFL biased; it is also quite inaccurate.

The Hon. N. E. Baxter: Did Victoria have a feature race on that day?

The Hon. TOM McNEIL: No, but there were two feature races at Belmont on that day. The letter points out also that on 3 April, the stakes at Sandown in Victoria were \$79 000, whereas at Belmont on the same day, the stakes were \$79 500. At a cursory glance, one would say, "Victoria has a far greater population than Western Australia, yet the stakes at Belmont are higher than those applying in Victoria." The WAFL deliberately neglected to point out that on that day, nine races were run at Belmont and only eight races were run at Sandown.

Obviously, the only way to arrive at a reasonable comparison is to work it out over a period of, say, three months. So, I extracted the figures applying in both Victoria and Western Australia for the previous three months. Total stakes paid out in Victoria over that period were \$1 857 500 over a total of 104 races, at an average of about \$18 000 a race. Incidentally, the WAFL submission very carefully neglected to discuss the situation in New South Wales; obviously, that would not suit its case at all. For the same three-month period in New South Wales, \$2 747 800 was paid out in stakes over 104 races averaging about \$26 500 a race.

The Hon. N. F. Moore: Did that include the Sydney Cup?

The Hon. TOM McNEIL: No, but it included the Golden Slipper. The Hon. Norman Moore raises a valid point; at any given time during the racing season, feature races will be held in one State or another.

Over that same three-month period, in Western Australia stake money amounted to \$1 133 500 over 112 races at an average of about \$10 000 a race. That provides members with a completely different picture from that presented by the WAFL.

The Hon. N. F. Moore: It would be more accurate to take it over 12 months.

The Hon. TOM McNEIL: That is quite true, and I have done so. In Victoria, over a 12-month period, stakes averaged \$16 000 per race over 212 races, which was quite consistent with the figure for the three-month period. In Sydney, where there is the Australian Jockey Club and the Sydney Turf Club, the stake is double that of Victoria. Stake money for each race in New South Wales during both the winter and summer period was \$10 000, and total stake money amounted to \$10 million. In Western Australia,

stake money totalled \$5 million at an average of \$8 000 per race.

The WAFL submission also claimed that people who frequent TAB agencies on Saturdays do not go to the races. That is completely untrue. If I am shopping on a Saturday morning, I might go into the TAB agency and place an each-way bet; however, I still may go to the races in the afternoon. In many instances, the return on the TAB is better than the on-course return.

The Hon. Tom Knight: I will bet the ones who go to the TAB agency in Esperance do not go to the races; it would be an impossibility.

The Hon. TOM McNEIL: The WAFL submission also made great play of the 43 per cent of the turnover of the TAB which is generated by Eastern States races. In all fairness, we must point out something like 1 200 races are run in the Eastern States each year, compared with only 600 in Western Australia, and this gives the punter the opportunity to bet from 9.15 a.m. on Saturday. If we are consistent, we would say, "In order to keep money in this State, we will prohibit betting on Eastern States races", and the WAFL would have no argument whatsoever.

In supporting the Hon. Norman Baxter's proposal, I believe that some consideration should be given to the mail that members have been receiving from the West Australian Football League in its attempt to cream off some of the money that is going to racing. That should be resisted most strongly. We do not want to reach the situation in which this Government props up the racing industry with public money. At the moment, the industry is standing on its own two feet.

I suggest to the WAFL that it does what the racing fraternity did in 1945, when it put \$50 000 into the setup at Belmont. The racing industry did not need any Government assistance for that. Now it has become a viable proposition. If, in the opinion of the WAFL, the stake money is too high, that is because the Western Australian Turf Club is trying to encourage people like me to buy horses so that they have an interest in the industry.

The racing industry is a viable one. We do not need to prop it up. The Hon. Norman Baxter's motion has my full support.

THE HON. N. E. BAXTER (Central) [9.31 p.m.]: I thank the Hon. Tom McNeil for his support of the motion.

I do not think I need say very much more. I had prepared a lot of information beyond that which I gave to the House when I introduced the motion, but I shall not weary the House because a lot of it

would be material for the consideration of the proposed Select Committee.

In response to the Hon. Tom McNeil, I should say that it is not envisaged that the Select Committee will give consideration to any sports other than racing and trotting. It will not even deal with greyhound racing. It will deal purely with the subject of thoroughbred racing and trotting. Nobody would have any objections to that.

One question that has been raised throughout the State for quite some time is the difference between the country clubs and the city clubs. This has been raised particularly since the West Australian Football League made its application to the Government for funding. The word got around, "Don't open up the Act." I do not know where this sprang from. I have my suspicions; but I would not like to say. I do have a fair idea.

The Parliament has control of the Act. If the Parliament wants to open it up, it will do so. I have enough confidence in the Parliament to know that it will not do anything drastic if we open up the provisions of the Totalisator Agency Board Betting Act. If the Government is prepared to introduce an amendment to that Act in relation to the distribution of surplus TAB funds, it will guard jealously the handling of those funds. I support this attitude strongly.

I trust members will support this motion and I leave it to their good judgment.

Question put and passed.

Appointment of Select Committee

THE HON. N. E. BAXTER (Central) [9.33 p.m.]: I move—

That the Hons. G. C. MacKinnon, Fred McKenzie and the mover, be appointed to serve on the Committee.

Question put and passed.

THE HON. N. E. BAXTER (Central) [9.34 p.m.]: I move—

That the Committee have power to call for persons, papers and documents, and to adjourn from place to place; that the Committee may sit on days over which the House stands adjourned; and that the Committee reports during the second period of the current session.

Question put and passed.

LOCAL GOVERNMENT AMENDMENT BILL*Second Reading*

Debate resumed from 4 May.

THE HON. G. C. MacKINNON (South-West) [9.35 p.m.]: I feel constrained to say a few words about this Bill because, from my earliest time in the Parliament, this matter has come forward with monotonous regularity. On each occasion that I can recall, I have opposed it.

In time gone by, I had success in my opposition to this type of amendment when it came forward from the Government, because it did not get past the Liberal Party room as the Liberal Party would not support this type of restriction either. I suppose a lesson can be learned from that. If one keeps trying, one will win, no matter what is the locality.

My disappointment is sharper because, when Mr Pike came into the Parliament a couple of years ago, I thought that I had a fellow champion. He moved to disallow some regulations which were placing restrictions on buskers and hawkers in the Mall. I was a little surprised to learn that he was championing the disallowance of the regulations, because it seemed to be out of character; but that was on his run-up to his current position, and I suppose that makes a difference.

The Hon. J. M. Berinson: Power corrupts!

The Hon. G. C. MacKINNON: And absolute power makes them forget all of their previous good resolutions.

The Hon. R. G. Pike: How many Lord Ashtons do we have here?

The Hon. G. C. MacKINNON: We all have our little peccadilloes.

The Hon. R. G. Pike: You are being Machiavellian again.

The Hon. G. C. MacKINNON: I suppose we are all attacked at some stage; and one or two others have drawn that sort of attack. The fact that the Hon. Robert Pike attacks a person with the sort of remark that he is Machiavellian, is typical of him. I can well remember the time when Harry Strickland was sitting where Mr Pike is, and he tried the same sort of tactic. At that time, the reaction was that, almost spontaneously, one of our fellows and two Labor Party members said, "Do you want support for your measure, or don't you?", because Harry Strickland had made a straight attack on the person rather than his argument. An attack on that scale will lead to the degeneration of standards, I suppose.

Nevertheless, I believe—and I have always believed implicitly—that restrictions on hawkers in general ought to be with regard to safety and health requirements only. I believe that nowadays we should not stop the proliferation of people who want to set up a stall and sell their goods. On my reading of the second reading speech, it appears that the council seems to be finding it a little difficult to take action against these people and it wants to make action administratively easy.

I have had some experience of requests to "make it administratively easy". I suggest to the new Ministers that fairly frequently they will find this approach by departmental officers. It is not the job of the Parliament or the Government to make it administratively easy for departments; but rather, it is the job of the Parliament to make life itself possible for the people who want to live it.

I happen to believe that the changing nature of our economic life means that more people will be doing more things at home. In fact, we will see the return of the cottage industry-type life. People will want to sell their goods, for one reason or another—

The Hon. J. M. Berinson: We do put all sorts of restrictions and regulations on shopkeepers, don't we?

The Hon. G. C. MacKINNON: Agreed.

The Hon. J. M. Berinson: It is not unfair—

The Hon. G. C. MacKINNON: Not at all. Let me indicate to the House the way in which it can be done.

I went downtown today, expecting to find a number of stall holders, as I had done in the past. To my amazement, I found that this Bill is entirely unnecessary because I saw only one stall holder.

The Hon. J. M. Berinson: It only shows it was unnecessary today.

The Hon. G. C. MacKINNON: Good point!

I spoke to the stall holder, and I asked her, "How do you come to be able to operate here?" The stall holder was a nice little girl of Asiatic origin. She said, "We're a shop. We are not a stall." As soon as she mentioned that, I saw the logic of it. The stall was in a laneway, and it had an iron gate that could be closed. She had a sign, and she could pull the gate closed. Probably she is paying rent for the laneway; so it is a shop. Perhaps we could give stall holders some sort of area like that in which they could operate.

I have a theory about the new poor of our community. Nobody represents them any more; certainly the Labor Party does not represent

them. The Labor Party represents the very well-to-do and stable unionist section; and it has not anyone who has much empathy with the poor. The ALP is represented by lawyers, pharmacists—I will not go past them in the present situation. Such is the Labor Party in this House.

The Hon. A. A. Lewis: You cannot go past them.

The Hon. G. C. MacKINNON: There is no empathy there.

The Hon. J. M. Berinson: Do you think empathy depends on occupation?

The Hon. G. C. MacKINNON: It provides a bit of background for them. In the old days in the Labor Party, we heard about the men who came up through the trades—men like Ben Chifley, who were good, honest citizens.

The Hon. P. H. Wells: Not lawyers.

The Hon. G. C. MacKINNON: Undoubtedly they had an empathy with the people with whom they worked. I believe that Mr Berinson would have sympathy for the world, but I doubt whether he would have the same depth of understanding of the problems which these people have.

I have always said implicitly that the Liberal Party is based on the concept of representing all walks of life in the community. Indeed, its structure even today is far more broadly based than is the base structure of any other political party, certainly in this State. We ought to be representing these sorts of people.

When I went downtown today, I was not able to pursue my research very far because, somehow or other, on this particular day, this Bill is totally unnecessary. As I say, I found only one stall in the Mall. I am not discussing the fruit and vegetable place which was set up as a part of the Mall, nor am I discussing the icecream place which was also set up in the initial establishment of the Mall. I am referring to the little places which sell silver jewellery, earrings, and that sort of thing. A few of them used to be around. Today there was one busker, and just one stall.

The Hon. P. H. Wells: Near the Commonwealth Bank?

The Hon. G. C. MacKINNON: No—in the Mall. I was looking in the Mall.

The Hon. P. H. Wells: Most of them go down around the Commonwealth Bank.

The Hon. G. C. MacKINNON: I did not go down there. As I say, I was surprised not to find any.

Without the slightest shadow of doubt, this Bill is another step towards the control of hawkers. I suppose because I have lived virtually all of my life in the country, I have a soft spot for hawkers. Most of the places in which I have lived have relied on door-to-door salesmen, hawkers, or whatever, in order to survive.

Over the years, these services have not been killed so much by economic necessity as by us. They have been killed by the Door to Door (Sales) Act, and the like.

Of course, members can always relate stories of how people are dishonest, and therefore they have to be controlled. Fortunately, nobody raises stories about dishonest politicians, and we are not controlled to the same extent.

The Hon. P. H. Wells: What papers have you been reading?

The Hon. G. C. MacKINNON: Perhaps I should not have mentioned this because the highlight of Australian politics is the absolute lack of any suggestion of corruption in the whole history of the political life of Australia. That is quite remarkable when one thinks of the Government services in other countries.

I was bitterly disappointed when I found Mr Pike had been persuaded to handle this Bill.

The Hon. J. M. Berinson: I heard he actually suggested he should handle it!

The Hon. G. C. MacKINNON: Bearing in mind Mr Pike's excellent performance here in relation to the regulations introduced by the Perth City Council, I was quite surprised that he should handle this Bill which, I assume, has been requested by the local authorities. Indeed, they have made requests of this nature for many years.

The Hon. W. M. Piesse: Some local authorities have.

The Hon. G. C. MacKINNON: The argument put forward by the local authorities has always been that shopkeepers have to pay rates and hawkers do not. Of course, in the country most of the people on local authorities are shopkeepers; therefore, they have a vested interest.

The Hon. J. M. Berinson: It is not only rates either. There are all sorts of regulations with which they have to comply under the Factories and Shops Act.

The Hon. G. C. MacKINNON: That is right. Storekeepers must comply with all sorts of health and safety regulations.

However, if this is the best solution to the problem, I maintain we would be better off if we did not have it. This legislation is retrogressive and bad. In my 30 years of close association with

the Liberal Party on the lay and political sides—mostly on the political side—it is the first time legislation of this nature has come close to getting a run. Something has happened to the Liberal Party or to hawkers to enable that to occur. I do not believe that street vendors, stall holders, hawkers—call them what one likes—have changed to any extent; therefore a change of some magnitude has taken place in the Government's attitude.

Bearing in mind that, according to the statistics, the average age of the population is increasing all the time, I am now in the majority. Young people have had their day. It did not last long and they must now take notice of what the older people have to say, because they are the ones in the majority and things must be run their way. Therefore, I suggest we follow the course we have taken in the last few years, because this Bill represents another step towards controlling people's lives. Next year someone will ask that additional controls be imposed on street hawkers and it will not occur, but the following year it will.

Since 1945 this is the closest the Liberal Party in this State has come to proclaiming legislation such as this. In the past frequent attempts have been made to introduce this sort of legislation and it appears to me the main reason for it is to achieve ease of administration. Local authorities are not sure whether they have the legal right to control hawkers; therefore they seek to have legislation of this nature introduced. However, it should be possible to ascertain the location of stall holders and charge them a rent, rather than prohibit their activities.

In his second reading speech, the Chief Secretary said, "The Perth City Council has been anxious to ensure that the street trading phenomenon that has come to the fore in recent years . . . does not get completely out of hand." From my observations it does not appear the situation has got completely out of hand. A few years ago, when the Perth City Council tried to restrict these activities, Mr Pike was the champion of stall holders in this place. We gave him our support, because we did not approve of the sorts of restrictions the local authority wanted to impose. Therefore, I ask: Why are we now changing our minds?

The Chief Secretary went on to say—

Although there is already some power in the Local Government Act to control street trading, it has been found inadequate, particularly in relation to a council's ability to move quickly to clear any goods which

were being displayed in the street without authority.

This legislation has been introduced for the sole purpose of making administration easier. I hope the members of the committee which is to inquire into statutory authorities will remember this debate when they are involved in their deliberations. The Government is endeavouring to accommodate the interests of all concerned except, of course, the stall holders. When I have been walking around the city I have observed the people who operate these stalls and they seem to me to be quite harmless young people who are trying to make a bob and keep off the dole. They are trying to save themselves from being labelled "dole bludgers".

I represent an electorate in this State to which a number of unemployed people go to live, because it is a very pleasant area. I have heard others say these people are living on the dole, but, from my experience, I can say many of them are not. They spend their time doing leather work and making all sorts of handicrafts which they sell in stalls at various locations.

The Hon. Peter Dowding: In your opinion are those who are on the dole bludging?

The Hon. G. C. MacKINNON: No, many of them are not. I said previously that we, as politicians, do not honestly represent these people today.

One day a man of approximately the same stature and age as the Hon. Joe Berinson stopped me in the street. He was crying, because he had lost his job and had little or no chance of getting another one.

The Hon. Peter Dowding: He was probably one of your Government civil servants.

The Hon. A. A. Lewis: Who is the gentleman who has just come into the House?

The Hon. G. E. Masters: The parrot is back!

The Hon. G. C. MacKINNON: The Hon. Peter Dowding has been away electioneering and now that he has returned to the House he is continuing to electioneer. I wish he would cease that sort of behaviour.

The Hon. A. A. Lewis: Or stop coming here.

The Hon. G. C. MacKINNON: The man to whom I referred lost his job because the company for which he worked was taken over by another firm. Members know as well as I do that this happens on occasions and frequently, rather than creating more jobs, fewer jobs are available and some employees become redundant. This fellow happened to be one of those.

The Hon. J. M. Brown: How do you relate that to stall holders?

The Hon. G. C. MacKINNON: I do not know. As a result of my political training, my style of living, and the beliefs I have held over the years, this Bill is anathema to me. I do not believe it is necessary for us to legislate to control stall holders who are harmless young people trying to earn a few dollars. I do not want to have any part of this Bill. It is as simple as that. The Government has endeavoured to accommodate the interests of all concerned, except the stall holder, and the kids who buy their wares. I should not really call them "kids", because I think I bought the belt I am wearing from one of these stall holders. They make good quality wares.

The balance of the Bill deals with matters which are probably perfectly legitimate and reasonable, although the Hon. Mr Baxter has other views. I fully appreciate that the Labor Party will vote for this Bill, bearing in mind the fact that a Bill of this nature was introduced previously by the Labor Party and I opposed it. It is clear members opposite want this sort of control. However, I am surprised Liberal Party members are in favour of it and I do not support it.

THE HON. N. E. BAXTER (Central) [9.55 p.m.]: I support the Bill and indicate I have circulated a copy of an amendment I propose to move to it.

I do not agree with the comments made by the Hon. Mr MacKinnon in relation to hawkers and street traders, because there is a big difference between a hawker, a stall holder, and a street trader. A hawker is a person licensed as such to hawk his goods in a particular municipal area. A hawker's licence can be granted by a town, city, or shire council. Nothing in the Bill will prohibit local authorities from granting hawkers' licences.

The legislation gives a local authority the power to licence stall holders and to charge a licence fee for the stall. Nothing in the Bill seeks to stop stall holders from running legitimate businesses.

When I was a young man a number of stalls were situated around the city. There were fruit stalls, newspaper stalls, etc., but they disappeared over the years and the people who operated them moved into legitimate shops from which they conducted their businesses.

I am familiar with a newspaper business in Perth which started originally in the inner city area and then moved to a position on the northern side of the Beaufort Street bridge, facing down Barrack Street. The business operated as a stall from that situation for many years and the Perth

City Council granted the owner a licence to trade there. From memory, I believe another stall operated alongside it.

In this Bill it is proposed to control people who erect frameworks on which all sorts of trinkets are hung in front of shop windows or across the entrances to shops. It seeks to control also people who spread rugs or blankets on the street on which they display their goods, requiring shoppers to dodge around them. People do not like walking around wares spread out on blankets, even though the activities in which the sellers are involved may be legal.

The Perth City Council has attempted to control the activities of these sellers by temporarily confiscating their goods and trying to stop their operations. However, according to the Minister's second reading speech, uncertainty exists as to whether the council has operated legally; therefore, it is up to the Parliament to clarify the position to ensure any action of this nature taken by a local authority is legal.

Mr MacKinnon said he walked down the Mall, but one does not see many of these hawkers in the Mall. They are situated in the Murray Street area, outside the Commonwealth Bank or on the opposite side of the street from it. They impede the movement of pedestrians and traffic and I do not think that should be allowed. Such people should be licensed by the local authority and given specific areas in which to trade rather than spreading their wares indiscriminately on the city streets. I am not familiar with any other city in which hawkers are allowed to operate as they have done here in the last few years. They do not operate in that way in America and one does not see hawkers of this nature in the streets in Sydney. I have not been to Melbourne or Adelaide in the last few years, so I am not sure of the position there.

I did a comprehensive trip last year through the United States, and visited 23 States and their cities, but I did not see street traders in any of them. Are we to be different from the rest of the world and allow people to sit down indiscriminately in our streets and trade the goods that they choose, and while doing so, interfering with people walking along the streets? Are we to have control? Control means order, and no control means disorder. It is not a case of our imposing controls for the sake of imposing controls—we must have some order.

Another amendment proposed by the Bill is to enable local authorities to approve certain building developments which do not conform entirely with council by-laws. I wonder whether

the Minister can provide details of the particular building developments in the city area to which this amendment is directed so that we have an idea of what the amendment involves.

Clause 10 proposes to amend section 552 of the Act by increasing the maximum permitted minimum rate imposed by local authorities from \$40 to \$75. I have spoken in this House on this subject on quite a number of occasions. I was present in this House in 1962, when the principal Act was first introduced. I was aware of its intention at that time when setting the rate at \$10. Twelve years later the rate was doubled to \$20, and six years later it was again doubled to \$40; now, four years later, it is proposed to almost double it to \$75.

As many of us are aware from attending ward conferences and receiving correspondence from local authorities, these authorities would like to have the rate increased to \$150. I have no objection to authorities having a higher rate available, but I object to its being imposed on people who should not reasonably have it imposed on them.

Section 552 of the Act provides for a discretionary power to allow local authorities to determine whether the rate should be either \$75 or \$2. If someone has a block of land on which the authority cannot place a value, that person should not be required to pay a rate of \$75. When we increase this rate we say to ratepayers with almost valueless blocks that their rates will increase but they will not have a right of appeal. Already people paying the minimum rate of \$40 have no right of appeal, and by increasing the rate to \$75 the number of people without that right of appeal will be increased; another group of landholders will be roped in under this amendment. A number of small towns such as Cue and Sandstone in the north would have valueless blocks.

The Hon. N. F. Moore: They have a value.

The Hon. N. E. BAXTER: I am told by the member for Murchison-Eyre in another place that towns exist, such as towns in some mining areas, in which blocks have practically no value.

The Hon. N. F. Moore: Well, that is not quite true.

The Hon. N. E. BAXTER: One can go to these places and find many lots of land which are unsalable, but the owners of those lots are expected to pay a \$75 rate. As I have said, these people cannot appeal against the imposition of that rate. Members must remember the number of small hobby farmers who will have to pay a minimum rate of \$75, and who do not have a right of appeal against the imposition of that rate.

Previously only a certain number of people were denied a right of appeal, and now that number will be increased by the increase in the rate. It is hardly fair to impose on these small hobby farm owners a \$75 rate along with other costs.

I have circulated a proposed amendment to the effect that there be a right of appeal, firstly to the shire, and, secondly, if the shire is not prepared to accept the appeal, it can be lodged with the Minister for Local Government at which time the appellant would present a valuation of the block in question so that the Minister could determine the *bona fide* valuation of the block before agreeing or disagreeing with the application. Apart from proposing that amendment, I support the Bill.

THE HON. PETER WELLS (North Metropolitan) [10.08 p.m.]: I refer to street traders and make the point that we are living in changing times. To some degree it must be admitted that, at the request of the free enterprise sector, this legislation moves towards the regularisation of one of the last frontiers of free enterprise. The reality of present day life is that most areas of activity are regulated, and we have organised ourselves almost to the extent that it is impossible for groups such as street traders to operate without regulation. It is a fact that everyone else must submit themselves to a fair amount of regulation, and it is understandable that certain people have requested that street traders have their operations regulated.

Our town planning system does not allow someone to open a chemist shop across the road from an existing chemist shop. Shopping centres are designated as to whether a chemist should be at that position, and therefore it would be almost impossible for someone to establish another chemist shop inside the area of that shopping centre unless the town planning scheme of the area permitted that to be done.

In earlier days it was easy for someone to establish a shop next door to the opposition if he thought the opposition was not providing a proper service. I concede the argument that some need exists for regulation, and I accept, as the Hon. Joe Berinson said, that storeholders operating properly under regulations pay rates to their appropriate councils which desire to provide thoroughfares to large numbers of people, whereas street traders cause inconvenience. Some fairness must exist within the marketplace.

In many areas of the city there is a place for street traders. The legislation refers to traders actually operating on streets or footpaths, but I have seen such people operating in regional

shopping centres where spaces have been provided by the wise shopping centre managements. These managements have invited the types of traders to which this legislation refers to sell their wares in their shopping centres. These traders usually sell wares made by themselves, and I have noted some shopping centres in the northern areas of Perth allow these people to sell their wares to the public.

Since we have adopted the practice of having large shopping centres in metropolitan areas, and the public expect to be able to purchase wares from the people to whom this legislation refers, it is reasonable to have such areas set aside for these traders.

I assume the Act gives local authorities the power to set aside certain areas for street traders to sell their wares, and I daresay that if the City of Perth does not set aside such areas it will be disadvantaged. Many of the markets around the metropolitan area, such as the Wanneroo Markets, attract large numbers of people because people want to purchase the wares normally available from street traders.

It is a pity we must impose regulations, but that is a sign of the times. With established traders being required to meet certain conditions, it can be said that it is unreasonable to allow a group of people such as street traders to set up wherever they please. Without regulation a street trader selling jewellery could set up outside an established jewellery shop. It is acceptable and reasonable that regulations be made to empower local authorities to take action against street traders operating without a licence, and for that reason, albeit reluctantly, I support the Bill.

THE HON. R. G. PIKE (North Metropolitan—Chief Secretary) [10.13 p.m.]: Dealing with the last speaker first, I thank the Hon. Peter Wells for his general support of the Bill. In answer to the specific question by the Hon. Norman Baxter in regard to clause 7 of the Bill which seeks to amend section 248 of the Act, I indicate that section 343 of the Local Government Act deals with council's general powers to make by-laws, and that covers a wide range of authority down to regulating sports grounds, etc. The provision of section 248 to which the Hon. Norman Baxter referred sets out that where a conflict exists between a local authority's general by-law-making powers under section 343 and the specific provisions in regard to town planning by-laws made under a town planning scheme, the town planning by-laws will prevail. As I said, this is in the case of dissent.

I thank the Hon. Norman Baxter for his general support of the Bill. However, I repudiate,

refute and reject the comments of the Hon. Graham MacKinnon.

The Hon. Peter Dowding: That is flowery, but without much substance.

The Hon. R. G. PIKE: The member should listen to hear the substance. It seems that the Hon. Graham MacKinnon has a mortgage on conscience; he commenced his speech in a quiet tone by making a personal attack on me.

The Hon. A. A. Lewis: Of course, that is absolute rot. We all heard his speech, and all he said was that you changed your mind.

The Hon. J. M. Berinson: I thought he was sad rather than angry.

The Hon. R. G. PIKE: I am sorry the Hon. Sandy Lewis disagrees, but that is not the first time he has disagreed with me, and it will not be the last. Members will be interested to read in *Hansard* that the Hon. Graham MacKinnon made an imputation against my integrity when he referred to my views as a back-bencher and actions as a Minister. The Hon. Sandy Lewis will see that as a fact if he chooses to read *Hansard*. It will be upon his head.

The Hon. A. A. Lewis: It will be on my head, but I will not have an honourable member slandered by the Minister just because he wants to make points against that member.

THE DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order!

The Hon. R. G. PIKE: Mr Deputy President, I will not trade insults with the Hon. Sandy Lewis. My comments are directed to the Hon. Graham MacKinnon who commenced his comments by attacking my integrity in regard to my attitudes as a back-bencher and the fact that I am the Minister responsible for this Bill. Other members in the House, understanding the comments made by Mr Lewis, will know that to be true. If anyone doubts it, let him read *Hansard*.

Mr MacKinnon completely missed the point of the Bill, which has been covered properly already by Mr Baxter. However, the ground really ought to be covered. The Bill states, "There shall be power in the Act for a council to control the establishment of stalls in streets, not to abolish them." That is the real question, and I say to the honourable member that that point has been covered by Mr Wells. If Nick Zacnic, who has a fruit store in Bunbury, or Caris Bros., or Boultons of Bunbury found people selling respectively fruit, jewellery, or general stores outside their stores it would be an entirely legitimate point if they complained to their local members. Those businesses would be paying rates, taxes, and rent

and it could be considered that the street stalls were causing a traffic obstruction or creating unfair competition. Now, that being the case in the first place, let us imagine those stall holders are operating outside those businesses and, in the second place, are operating in a type of lane alongside to encourage people to shop outside the business. This is one of the legal problems being dealt with in this Bill.

It would be entirely legitimate for the member, if he were contacted, to approach the local authority and say he did not think it was quite fair that there should be stalls outside those locations. The purpose of this Bill is not its power to abolish stalls, but its power to control their establishment. I consider the comments which have been made in opposition to this legislation indicate a lack of confidence in local authorities.

The point has been made by Mrs Piesse in regard to Wagin. In Wagin there is a fish stall which everyone enjoys; they think it is a great facility. Having had 15 years' experience in local government, I know that local government is sensible, mature, and represents a good cross-section of the community. It would not say, "Let us get rid of that fish stall."

On the other hand, were there a fish shop in Wagin and a fish vendor were to locate himself on the footpath outside the shop, the fish shop proprietor would have an entirely legitimate complaint to make to the council. He could say that he wished the fish stall to be located elsewhere.

The Hon. G. C. MacKinnon: Why did you oppose the Perth City Council regulation?

The Hon. R. G. PIKE: I made my reply to the honourable member's comments when he was not present. I did not intend to repeat them. However, if the member wishes I will. The member said that my views as a back-bencher were significantly different to my views now as a Minister, since I am introducing this Bill.

The Hon. G. C. MacKinnon: Are you sure?

The Hon. R. G. PIKE: To precis: I made a comment in regard to the Westminster system and the member and everyone in this House understands my position. I am sure everyone in this House understands precisely what Mr MacKinnon set out to do. I will make no further comment on that matter. I did not intend to restate the argument, but indicate only the points he made.

The Hon. G. C. MacKinnon: I am sure you did.

The Hon. J. M. Brown: Before you go on, could you clear up the matter about stalls and street traders? There is a difference between the two.

The Hon. R. G. PIKE: Yes. I did not intend to confuse the member, but I made the point of the Wagin vendor to illustrate where a council faces the situation of someone with an established shop in town being confronted by a fish vendor who can be established elsewhere.

Mrs Piesse referred to the perishable nature of goods. The information I am given is that when perishables are involved, proper facilities for their storage will be provided. Mr Baxter dealt with the same issue and I will answer his question during the Committee stage.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. I. G. Pratt) in the Chair; the Hon. R. G. Pike (Chief Secretary) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Section 217 amended—

The Hon. PETER DOWDING: I wonder whether the Minister will be good enough to explain the reason for this change to the definition.

The Hon. R. G. PIKE: I thank the member for his question, and if he bears with me I will refer to the other Minister's notes. I understand it is to do with the designation of a hawker as an individual. At present it refers to his geographic location. That is according to the note with which I have been provided. I hope that gives an adequate explanation.

The Hon. PETER DOWDING: I can understand that it is deleting reference to his geographic position but I ask the reason that there seems to be some relevance to the issue of the man's character as a hawker and to the fact he is in the street doing something.

If he is sitting at home in his sitting room it is hard to attach to him a particular label. If he is sitting in his backyard with some of his equipment, goods, wares, and merchandise, it seems to me quite wrong that the legislation should refer to him in that position. I do not understand the reason the change is being made. It was not explained in the second reading stage.

The Hon. R. G. PIKE: In order to accommodate the honourable member and in order to illustrate to him and members of this Chamber the difficulties a Minister has from time to time when he receives notes dealing with

another Minister's Bill, I would ask that this particular clause, if the member wishes, be not dealt with and we go on with the rest of the clauses and I will seek an explanation. I move—

That further consideration of the clause be postponed.

The Hon. Peter Dowding: I think we should know.

The Hon. G. C. MacKINNON: This is a totally new departure. The Minister in this Chamber or anywhere else who handles a piece of legislation is responsible for that legislation. We should report progress and ask leave to sit again when the Minister is better informed. Referring to notes is not good enough. I shudder to think what Frank Wise, Gilbert Fraser, and Keith Watson would have thought of this. Our hearts are overflowing with the milk of human kindness.

Motion put and passed.

Clause 4 put and passed.

Clause 5: Section 242A added—

The Hon. PETER DOWDING: I would be grateful if the Minister could clarify that, although we are providing a special power for the seizure of goods, it is in circumstances in which we as legislators do not know what the offence is or may be. The seizure may occur upon the occasion of some offence which the local government organisation may set down in a regulation. Is that the position, or is there an offence for which we now know this seizure will follow?

The Hon. R. G. PIKE: I understand the comments made by Mr Dowding. The reference under clause 5 is to set out a new requirement in regard to offences.

The Hon. Peter Dowding: What is the offence?

The Hon. R. G. PIKE: The offences are set out in new subsection 2(a) of proposed section 242A. The clause states that an officer authorised by a council for the purpose may remove and impound any goods, wares, or merchandise which are in a street or other public place in breach of section 242A.

The Hon. Peter Dowding: You do not know what they are.

The Hon. R. G. PIKE: I suggest the honourable member look up all the offences. If he wishes to not proceed with this particular clause, let me be frank with members: The notes that have been given to me by a Minister in another place refer to the amendments and the changes within the amendments; they do not list the offences. I do not intend to go through, clause by

clause, lists of offences because they are available elsewhere. I ask members to support the clause.

The Hon. PETER DOWDING: I think the point must be made that these are not just the listed offences; they are offences that may be promulgated at some stage in the future. The point the Minister appears not to understand is that we are prescribing a fairly draconian penalty—and I will develop this point later—for a breach of a by-law or regulation the wording of which we do not know. To reduce the matter to an absurd point, it may be that the by-law says that all hawkers will have to paint themselves yellow before they are permitted to trade and if they do not, their goods will be seized and held until they are prosecuted. I ask the Minister whether, in his view, the provision differentiates between the seriousness of a variety of offences.

The Hon. G. C. MacKINNON: I am absolutely staggered to find myself on the same wavelength at the Hon. Peter Dowding. This speaks well for the Legislative Council.

The Hon. Peter Dowding: Or for the Hon. Peter Dowding!

The Hon. G. C. MacKINNON: I ask the Minister to cast his mind back over his experiences of 15 years in local government, and to recall one or two shire clerks he has known. I know he would be quickwitted enough to know immediately the man I have in mind—it took this man all of three months to train new councillors to his way of thinking. We could have the situation of a person setting up a street stall, and if a shire clerk felt the need to take action, he could confiscate the goods from that stall.

My reading of the Press leads me to believe that it can take quite a long time for even a minor case to be heard. I can see very serious problems in regard to this clause.

I would think the Minister ought to be able to answer our queries a little more succinctly and firmly than has been the case to date. I am concerned about the whole measure, but when we come across such details as this, I am all the more alarmed, particularly as we do not seem to be receiving the full and frank explanations that ought to be available.

Progress

The Hon. R. G. PIKE: I move—

That the Deputy Chairman do now report progress and ask leave to sit again.

In moving this motion, I would like to make it very clear to the Committee, particularly in view of the comments made by the Hon. Peter

Dowding—who should know as well as anybody—that had he spoken during the second reading debate, and had he had a better understanding of the problems—

Point of Order

The Hon. G. C. MacKINNON: I rise on a point of order, Mr Deputy Chairman (the Hon. I. G. Pratt). I may not be correct, but I understand that the motion before the Chair should be put without debate. Having moved the motion, the Minister then proceeded to debate it.

The DEPUTY CHAIRMAN (the Hon. I. G. Pratt): The honourable member is correct.

The Hon. R. G. Pike: I am happy the point has been made.

The Hon. G. C. MacKinnon: That is not really good enough either.

The Hon. R. G. Pike: We will wait and see.

Debate Resumed

Motion put and passed.

ADJOURNMENT OF THE HOUSE

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [10.33 p.m.]: I move—

That the House do now adjourn.

Justices of the Peace: Imprisonment of Pensioner

The Hon. PETER DOWDING (North) [10.34 p.m.]: I wish to raise a couple of matters, and I urge that the House do not adjourn until it has dealt with them. The first deals with comments made by the Hon. Tom Knight and the Hon. David Wordsworth in relation to a question which I asked the Attorney General and on which I sought his expression about the performance of the courts which are under his administrative direction, and particularly in respect of the imprisonment of a 71-year-old pensioner for one month for the offence of begging. I appear to have incurred the wrath of those two members, who with an ardent enthusiasm leapt into the breach to defend some gentlemen—no doubt friends of theirs—whose reputations they felt had been slighted in this House.

The Hon. D. J. Wordsworth: That is typical.

The Hon. PETER DOWDING: If it is typical, it is typical also of the facile way in which those two and other members on the other side deal with both the responsibilities imposed upon us in the Legislature and the important issues which are to be discussed freely without harassment or

intimidation or attempts at that by subsequent and ill-informed comments.

The Hon. Tom Knight: Like the ones you just made.

The Hon. PETER DOWDING: The first point I would like to make is that these two justices of the peace who adjudicated in this court imposed this term of imprisonment upon this offender. That fact is not only a matter of public record, it also is a matter which ought to be of public record. For any member of this House to suggest that it ought not to be a matter of public record does neither him nor his party any justice.

It is one of the fundamental safeguards of society that what goes on in court does not go on behind closed doors, and that those who have judicial office do not impose sentences without public scrutiny. If journalists can be there to report those events, it follows that Parliament ought, can, and should, be free to comment upon those matters. So it does not behove the members who spoke in criticism to have done so. If they had only taken a breath and analysed what they were doing, it would not have taken them very long to realise that they had made a fundamental error in judging my question to the Attorney General as somehow a breach of the dignity or duty of a parliamentarian.

Not only is it a matter of public record which ought so to be, but it is also an odd event for members on the other side to complain about the naming of members of the public in this House. *Hansard* is overburdened with the evidence of opportunities that members opposite have taken to mention the names of members of the public in a critical way. Usually such people do not hold public office, and their actions are not and ought not to be the subject of public scrutiny.

Of course it was the extravagance of the claim of the Hon. Tom Knight which brought the very publicity which these two members pretended or sought to pretend they were trying to avoid for the two justices of the peace. The very extravagance of the words the members used were designed to draw the matter to the attention of the representatives of the media not only here in the House, but also in the district in which these justices reside. I would be very interested to know which of the two members opposite was responsible for drawing this matter to the attention of the local Press so that their extravagant claims could be reported.

The Hon. P. G. Pandal: They beat you at it this time.

The Hon. PETER DOWDING: The extravagance of their claims was exceeded only by

the desire for a modicum of publicity for themselves. The paucity of the comments actually made—

The Hon. G. E. Masters: This is pathetic humbug.

The Hon. PETER DOWDING: —in terms of any real analysis of the situation, caused me to have second thoughts about referring to the matter again.

The Hon. Tom Knight: But you chose to nevertheless.

The Hon. PETER DOWDING: Since the members responded with such extravagant language, I would like to put the matter into perspective. When springing to the defence of the two justices of the peace, neither of these members thought fit to give any regard to the seriousness of the question. They did not direct themselves to the issue of whether we live in a society in which we are content to see a 70-year-old-plus pensioner being imprisoned for a month for doing no more than asking for some sort of handout from a passerby. That is the offence to which we are referring.

The Hon. Tom Knight: Is that so? You had better read a few things about it.

The Hon. PETER DOWDING: It is interesting to note also that neither of the members addressed their minds to the issue of whether we, in this State, should bear the expense to which a community must go to harbour a person in a gaol such as the regional prison. Is that an appropriate expenditure from community funds?

The Hon. P. H. Wells: Are you saying justice should consider the cost?

The Hon. PETER DOWDING: If it is the case that the member thought the penalty was appropriate, not because it met the needs of the offence nor because it was an appropriate punishment for the wrongdoing of the defendant, but simply because it offered the defendant a place where he could sleep and have something to eat without access to alcohol for a month—if he thinks that is the way we should be using our prisons—I am surprised that neither of the members put forward a submission to an inquiry which was held into the rate of imprisonment. This inquiry was conducted under the auspices of this State Government.

On page 118 of the report of this committee of inquiry, it is interesting to read the following remarks—

Whether courts are justified in using the police and the prison system for what are

really social service purposes is a matter of the greatest difficulty. Really neither the police nor the prison service should be asked to take care of those where the primary problem is one of health and neither service was designed for this purpose, but at the present there is simply no alternative available. In discussions with justices one could often sense a feeling of desperation as to what they should do in cases of the persistent drink offender.

Further on it says—

The Committee accepts the submission there are some areas in the State where Justices have used short terms of imprisonment more than is necessary.

The Hon. Tom Knight: That condones your actions of course.

The Hon. PETER DOWDING: It is interesting to note that neither of the members concerned bothered to take any interest in the committee while it was sitting. Nor did they make any submissions to it, although we gather from the tone of their defence of the justices of the peace that the events I described in my question were not isolated events. One wonders whether their concern for the justices of the peace extends to concern for all the members of their electorate or whether their concern is limited to a certain social strata within that community.

The Hon. Tom Knight: No, you cast that aspersions.

The Hon. PETER DOWDING: It is of interest that neither of the members addressed their minds to the fact that in this State we have a rate of imprisonment that is unreasonably and unsatisfactorily high. Of course, as the report found, there is a trend in this State for imprisonment to be used more often than it ought. In fact, reception rates in NSW and Victoria have been reduced overall, but in WA the imprisonment rate has increased rapidly from 1975-76, so that the 1979-80 imprisonment rate was closer to the very high rates earlier in this decade.

It was also interesting to note that, as the honourable members pointed out, this gentleman is Aboriginal. It is worth noting also that at page 67 of the report, the committee of inquiry noted that Aborigines are greatly over-represented in Australia's prison system. In Western Australia they constitute approximately one-third of the imprisonment rate and about half of the penal reception rates since at least 1977. At the same time, Western Australia's Aboriginal imprisonment rate appears 25 per cent higher

than that of South Australia. Further, it was made quite clear, on page 73 of the report, that Western Australia's lower courts' imprisonment sentencing rate was higher than that of New South Wales, that justices of the peace were consistently accounting for a disproportionate number of imprisonment sentences relative to the number of convictions, and in comparison with stipendiary magistrates, justices rarely used alternatives to imprisonment, apart from fines.

What that points to is that neither of these honourable members gave the slightest consideration to the person concerned, or to the fact that this incident represents a tragedy, and that it is an event which the people of Western Australia should know about and should take steps to avoid. It represents a gross waste of taxpayers' resources to put a person into gaol for a month when what that person needs is social welfare assistance.

Did the honourable members consider this aspect at a time when the staff numbers in the community welfare services are less than they have been for some four years, and when the staff numbers in the departments, despite the increasing burden on those departments because of the policies of the Federal and State Governments, are well below the staff ceilings set by this Government in its efforts to cut down in the Department for Community Welfare?

In all those circumstances the Government is quite content for prison officers to have to transport this man in close custody from Esperance to Boulder and then to return, using the resources of the State to keep the man in a security prison and to have to go through all the administration and security procedures to hold him in that security prison for a month, and then return him after that time, with two officers having to make that trip to return him to Esperance. The two honourable members apparently did not bother to address themselves to whether that was a satisfactory use of the limited resources of the State.

The Hon. Tom Knight: Would you have left him on the street?

The Hon. PETER DOWDING: Their concern was wholly and solely brought about because they felt indignant that two persons holding public office and performing their duties under the spotlight of the public were referred to by me in this House in a question which suggested the very thing that the committee of inquiry into the rate of imprisonment has suggested.

Hon. Peter Dowding: Absence from Chamber

The Hon. PETER DOWDING: The second matter to which I wish to address myself is the now—as I understand it—abandoned principle of not referring to the absence of members of Parliament. I am surprised that the honourable member for Lower North Province, the Hon. Phil Lockyer, has been consistently interjecting in this House, with his normal fatuousness, suggesting that I have had frequent absences from this House. His comments are as unfounded and as unreasonable as some of his other assertions in this House. They are quite untrue, and as any member who checks with the Clerk will find, my absences have been for three days out of 14 sitting days. If the honourable member for Lower North Province were not to regard his duties as limited to making sonorous noises in this Chamber and then somnambulating into the bar or the dining room, and if perhaps he were to analyse what are his functions as a member of this Legislature, he would be a bit better off.

In my absence during the incident to which I refer, when he repeatedly alleged I had not been present in this House for some time and that my absences were both frequent and lengthy, he ought to have directed himself to the truth. Regrettably, he is full of fustion, rant, twaddle, and slapdoodle—and I have been assisted here by Roget's *Thesaurus*.

He is used to making wild and unfounded assertions outside the House and he has now carried that practice into the House. I would have thought it would do him and this House well if he were to be marginally more accurate, as best he can.

THE HON. P. H. LOCKYER (Lower North) [10.51 p.m.]: Before I make my contribution I would ask you, Mr President, to keep this honourable member on my right here while I make my speech, because we have been unsuccessful in the past in holding him here for any length of time except to have him poke his nose in to have his name marked off. I shall deal with the attack on me personally after I have spoken in defence of my two colleagues.

The Hon. Peter Dowding: With friends like you, who needs enemies?

The Hon. P. H. LOCKYER: I make the point that I listened to the honourable member in silence during his contribution because I thought his comments, rare though they are in this House, should be heard. Mr President, I will be seeking your guidance and protection while making my points.

*Justices of the Peace:
Imprisonment of Pensioner*

The Hon. P. H. LOCKYER: The Hon. Tom Knight and the Hon. David Wordsworth last week quite rightly, at the first possible occasion open to them, voiced their displeasure that two of their constituents should be so disgracefully named in a question by the Hon. Peter Dowding to the Leader of the House. I make it quite clear that I have always admired the honourable member's stance in defending the underdogs, especially the Aboriginal people. Regardless of our personal differences in this Chamber at times, I know he does endeavour to help them in all sincerity.

I do not want to enter into a debate about whether the question he asked should have been asked. If the substance of his question had been asked without naming the two justices of the peace, the matter would have proceeded in the right and proper manner. If, in the honourable member's view, this gentleman had been harshly dealt with by the justices, he did the right and proper thing in bringing the case to the attention of the Parliament. The fact that he named the two justices under parliamentary privilege—

The Hon. Peter Dowding: I would have done it outside the House.

The Hon. P. H. LOCKYER: Mr President, I seek your protection here, because I do not wish to reply to the honourable member's interjections.

Nevertheless, because he named the two justices under parliamentary privilege he incurred the displeasure of my two colleagues, and they rightly criticised him for his actions.

This is not the first time I have risen in this Chamber to criticise the honourable member on this type of thing. I did so once before when he consistently named the President of the Broome Shire Council in the same cowardly manner as when referring to these two justices. To illustrate my point, I named two of his constituents.

The Hon. Peter Dowding: And how cowardly was that?

The Hon. P. H. LOCKYER: I did that as an exercise—

The Hon. Peter Dowding: It was untrue, and you knew it.

The Hon. P. H. LOCKYER: As the honourable member is doing now, he leapt to their defence in this Chamber, which was his right.

The Hon. Peter Dowding: They wrote to you.

The Hon. P. H. LOCKYER: He then got in touch with those two people and they wrote to me hoping I would reply so that this honourable member could apply some legal attention to me,

which would have been his right had I been silly enough to write to them. However, I was not born yesterday. I have dealt with people almost as slimy as this honourable member.

Withdrawal of Remark

The PRESIDENT: Order! I ask the honourable member to withdraw that word.

The Hon. P. H. LOCKYER: Mr President, do I have to withdraw it because it is unparliamentary or because it is untrue?

The PRESIDENT: If the honourable member wishes to proceed he will withdraw the word without making any further comment.

The Hon. P. H. LOCKYER: I withdraw.

Debate Resumed

The Hon. P. H. LOCKYER: The fact is that if this honourable member was not here when he was taken to task for this misdemeanour, he was not here as a matter of choice, and that was his right. But what is sauce for the goose is sauce for the gander. The member was simply caught out as he has been caught out before. In my view, the two honourable members were quite right to defend the two justices.

The Hon. Peter Dowding: I never suggested they did not have that right.

Hon. Peter Dowding: Absence from Chamber

The Hon. P. H. LOCKYER: I did interject and indicate that the member has often been away from the Chamber. I did that very deliberately, because I believe the Australian Labor Party members—a large number of them—are prostituting the Parliament when it is sitting by taking the opportunity, as members of the Opposition, to go to the Pilbara and other areas in North Province to electioneer and to put people on the roll. I do not deny their right to put people on the roll. However, they are not doing what they were elected to do, which is to represent their constituencies, their provinces, and their Assembly seats in the place they are elected to do so; namely, the Parliament. The honourable member is the engineer of this exodus to the north, and I have interjected about his absences to expose this matter. This is not the first time the honourable member has prostituted the system.

The Hon. Fred McKenzie: Why does not the Government do it?

The Hon. P. H. LOCKYER: His electorate office secretary is the endorsed candidate for the Pilbara. He employs her to do the so-called duties of an electorate office secretary when in fact she is allowed to spend most of her time electioneering.

The Hon. Peter Dowding: You are telling untruths.

The Hon. P. H. LOCYKER: We can always tell when the truth hits home. The member knows what I am saying is quite correct.

Members of the public are entitled to have these people exposed, and this should be done in the Parliament. As members of Parliament we are elected to spend our time in Parliament when it is sitting. A prime example of what I have been saying is that when the Hon. Tom Knight and the Hon. David Wordsworth criticised the member in the adjournment debate last week, the honourable member had to be defended by one of his front-bench colleagues who challenged my colleagues to repeat the criticisms when the honourable member was in the House. But it is a difficult thing to speak when the honourable member is in the House, because he is never here. The member pokes his nose into the Chamber and has his name marked off.

No-one recognises the unwritten rules of Parliament more than I.

The Hon. Peter Dowding: No-one breaks them more.

The Hon. P. H. LOCKYER: No-one takes the opportunity to do the wrong thing more than this honourable member. His comments tonight did him no justice at all. If he continues to operate in this manner, if he intends to be here only on the rare occasion, and if he continues to take the opportunity of the sitting of Parliament to go electioneering, perhaps his place is not in Parliament.

Adjournment Debates: Unparliamentary Language

THE PRESIDENT (the Hon. Clive Griffiths): I am becoming increasingly concerned at the opportunity honourable members take in the adjournment debate to make what I believe are unparliamentary comments about other members in this place. It is becoming increasingly difficult for me as the President to reach a decision as to where common decency begins and ends in regard to the terminology that honourable members are unfortunately resorting to use in their description of each other. At this stage I am not contemplating taking any action in regard to stopping further discussion on this subject other than to say that I suggest, amongst other things, that honourable members have a look at the Standing Orders, because my task on your behalf is to ensure that they are complied with. Amongst the Standing Orders that I recommend members have a look at is Standing Order No. 111. That

Standing Order makes it a responsibility of each and every one of you to ensure that a more temperate attitude is taken when referring to each other.

Local Government Amendment Bill: Debate

THE HON. R. G. PIKE (North Metropolitan—Chief Secretary) [11.03 p.m.]: I think the House ought not to adjourn until the following facts are made known: In regard to the Local Government Act which was the subject of debate this evening—in particular, the Committee debate—I inform the House that last evening prior to the debate coming on I spoke to the Hon. Jim Brown because I had been informed that he was handling the Bill for the Labor Party. The Hon. Jim Brown was charitable enough to indicate to me that he was the spokesman for the Labor Party on the Bill and I understood the Labor Party was supporting the Bill. With that knowledge, I did not go back to the Minister in the other House.

The **PRESIDENT**: Order! One of the extraordinary things that is becoming evident in this place, is that it seems to me that I am the only person who reads the Standing Orders. I direct the Minister to Standing Order No. 81 which suggests that he is out of order in making reference to earlier proceedings which are certainly not relevant to the matter under discussion. I suggest that if he is going to continue, he should talk about something that does not conflict with the Standing Orders.

The Hon. R. G. PIKE: I accept your point, Mr President, and I thank you. My comments then are made in general terms. As the Minister, it is and it will be my policy in regard to the Labor Party, the Opposition in this place, that when, in relation to any matter on any Bill at any time a member of that party communicates to me that that party does not intend to oppose a Bill, and indeed would make a very brief comment in regard to it saying that it supports the Bill and, for instance, commends the Minister for the Bill as it has done, it will not be my intention in that circumstance to anticipate a detailed explanation in regard to the function of that Bill in the Committee stage; neither will it be my intention, to proceed if a Minister from another place in any regard has not given me Committee notes. But when—and I say this as a matter of policy—at any time I am aware that there is to be a problem in Committee, the problem will be dealt with as best I am able.

The Hon. Peter Dowding: You are reading it? Is that what you mean? You will only have a look at it?

The PRESIDENT: Order!

The Hon. R. G. PIKE: When a Minister handles Bills for five other Ministers in an upper House and, lower House situation, he does not seek to acquaint himself unnecessarily with the Committee notes on Bills when the Opposition indicates it will support the Bill in toto, because that is obviously a complete waste of time. It is proper for the House to know this in order that in the future if there is to be a reasonable communication in regard to matters between the parties, that communication shall be one that is fair and that we do not find a detour.

That may not be provided for in the Standing Orders. The honourable member earlier referred to the matter of debate in regard to communication. It is a melancholy fact that the Hon. Peter Dowding has a well-known uncharitable approach.

*Hon. Peter Dowding:
Absence from Chamber*

THE HON. A. A. LEWIS (Lower Central) [11.07 p.m.]: During this adjournment debate the Hon. Peter Dowding mentioned the responsibilities of the people in regard to this legislature. I thought it was a very nice note for an adjournment debate. One thing earlier this evening worried me greatly, although it may not worry the Hon. Peter Dowding; that is, the ALP Whip has to get up because of the absence of the Honourable Peter Dowding and ask question after question in his name.

The Hon. Peter Dowding: It was very obliging of him indeed in my absence yesterday.

The Hon. Fred McKenzie: He didn't mind doing it, either.

The Hon. A. A. LEWIS: The honourable member has reminded me that this also happened yesterday. I wonder how long this House will go on with hoards of questions obviously being sent in from outside. They were probably phoned in from some distance away.

The Hon. Peter Dowding: They were typed within the very portals of this building.

The Hon. P. H. Lockyer: He has to do his own phoning.

The Hon. A. A. LEWIS: Somebody is supplying the Hon. Peter Dowding's questions for him.

The Hon. J. M. Berinson: Don't be ridiculous!

The Hon. A. A. LEWIS: I am not being ridiculous in any shape or form and the Hon. J. M. Berinson ought to realise that. If the Hon. Peter Dowding is in the north and he does not

phone in or contact the building and the questions are typed out of this building—

The Hon. J. M. Berinson: He did not say he did not contact the House.

The Hon. A. A. LEWIS: We can read the honourable member's interjections in *Hansard*.

A Government member: Are you sure he was in the north and not away with the court somewhere?

The Hon. J. M. Berinson: He said they were typed here.

The Hon. A. A. LEWIS: He denies this.

The Hon. J. M. Berinson: What exactly is the point you are making, Mr Lewis?

The Hon. P. H. Lockyer: If you listen long enough, you will learn.

The PRESIDENT: Order!

The Hon. A. A. LEWIS: It is fascinating!

The Hon. V. J. Ferry: It is boring.

The Hon. A. A. LEWIS: The logical legal man, the Hon. Peter Dowding, denies he phoned them in.

The Hon. J. M. Berinson: He did not deny he phoned them in.

The Hon. A. A. LEWIS: That is the first thing he denied and *Hansard* will show it.

The Hon. Peter Dowding: Pull the other one!

The Hon. A. A. LEWIS: He denied he phoned them in. He said, "They are typed here." They must get here somehow. Somebody is providing them for him.

The Hon. Peter Dowding: Very amusing!

The Hon. A. A. LEWIS: I am using only the honourable member's own comments. The point I make concerns the form of this House. We will get to the stage where we will have the Whips here for an hour putting questions on notice, while the other members disappear. The Hon. Peter Dowding must realise that the House will not accept this sort of thing.

It may be his idea of a fair go that he be in this place three days out of 14, or miss being here only three days out of 14. I do not want to get into a big argument about that, but I want to make the point that the words out of his mouth are to the effect that the responsibilities of people in this place are to their electors. I think I know what the responsibilities to the electorate are, and we know perfectly well as we have read in newspaper reports the Leader of the Opposition in another place announced that he would send his members north. That brings me back to another speech of the honourable gentleman in which he indicated

that he was door-knocking at camps and houses so that he could put people on the rolls. He made that remark to the Chief Secretary.

The people to whom I have referred are going north for the express purpose of putting people on the roll. I remember that the Hon. J. M. Brown was sent north because he is a JP and could put people on the roll. I have no objection whatsoever to people going on the roll—

The Hon. Peter Dowding: That is very kind of you. That wouldn't be your party's view.

The Hon. J. M. Berinson: That is very democratic of you.

The Hon. Peter Dowding: Very democratic.

The Hon. Tom Knight: Let him finish.

The Hon. A. A. LEWIS: These members are saving the State money, but it is a hideous thing that members such as the Leader of the Opposition, the Hon. Lyla Elliott, and the Hon. J. M. Brown should be sent north and not be able to represent their electors in this place by contributing to debates. This has occurred as the result of a Caucus decision—the Caucus has shot them somewhere else. They have been “caucused” out of this Parliament.

The Hon. Peter Dowding: Rubbish!

The Hon. A. A. LEWIS: They were “caucused” out of this Parliament.

The Hon. Peter Dowding: Rubbish!

The Hon. P. H. Lockyer: Yes they were.

The Hon. A. A. LEWIS: The Leader of the Opposition in this place did not say those people should go north; the Leader of the Opposition in another place said they should go north. The Hon. Peter Dowding comes into this place and talks about the responsibilities of members. We know his theories on door-knocking at camps and anywhere else he can put people on the rolls.

The Hon. Peter Dowding: Camps?

The Hon. A. A. LEWIS: We discussed that matter last time the member was present in this place. He knows; it was a fortnight or three weeks ago. It was the last time he was here. It was the occasion when the Hon. Peter Dowding attacked the Hon. David Wordsworth and the Hon. Tom Knight. The Hon. Peter Dowding attacked those members by saying they had concern only for one social strata of the community, but I wonder whether the Hon. Peter Dowding has fallen into that trap himself. He used his comments in this House to denigrate honourable members on this side of the House. He used high-flown phrases, but did not think before he used them that they may be turned against him.

He is an elected representative of North Province. I would be highly delighted by the Hon. W. R. Withers deciding to withdraw his resignation as a result of the completely unprecedented action of the ALP. Would that not be magnificent?

The Hon. Peter Dowding: You have been desperate to get that point out.

The Hon. A. A. LEWIS: We are getting to him now. He is thinking of all that dough down the drain; gurgling down the drain.

The Hon. P. H. Lockyer: It sends a shiver along his spine.

The Hon. A. A. LEWIS: Labor Party Caucus money would go right down the drain if Mr Withers decided not to resign, and it would be one of the nicest things I could hear in my life.

The Hon. R. J. L. Williams: He hasn't resigned yet.

The Hon. Peter Dowding: Which is moral and which is harder, Mr Lewis?

The Hon. A. A. LEWIS: Again I say using the words of the Hon. Peter Dowding when he spoke of the dignity and duty of a parliamentarian—

The Hon. P. H. Lockyer: He has none.

The Hon. A. A. LEWIS: —that he has a duty to this House while it is sitting and he did not show dignity in the way he attacked the Hon. David Wordsworth and the Hon. Tom Knight.

The Hon. J. M. Berinson: I think it was a defence rather than an attack. What about all their original comments?

The Hon. A. A. LEWIS: The Hon. Joe Berinson says it was a defence rather than an attack, and the Hon. Peter Dowding says that members should be allowed to criticise. How many times does the Opposition want the words of this tyro thrown back at its members? How many times does the Opposition want this poor young chap defended? His duty is here. If he were here on the night in question he could have defended himself, but he chose to come in later to attack those two justices.

The Hon. J. M. Berinson: He came in here to defend himself at the first available opportunity.

The Hon. P. H. Lockyer: It is his conscience.

The Hon. A. A. LEWIS: He should have been here yesterday, but he was “caucused” up north.

Justices of the Peace: Imprisonment of Pensioner

The Hon. A. A. LEWIS: It seems to me that the justices of the peace of this State do a pretty good job.

The Hon. J. M. Berinson: He didn't say otherwise.

The Hon. P. H. Lockyer: He hates justices.

The Hon. A. A. LEWIS: Wait on; these justices do a pretty good job. If the justices concerned made a mistake—obviously the Hon. Peter Dowding and other members of the Opposition never make mistakes because they are the consciences of the world—it is not the Hon. Peter Dowding's job to name those justices. He could have said that two JPs imprisoned someone, but, as the Hon. P. H. Lockyer stated, he did not need to name them. Justices of this State provide a service to the community, and because a certain two justices made a mistake, and to the best of my knowledge only one mistake—

The Hon. P. H. Lockyer: If they made a mistake.

The Hon. A. A. LEWIS: That is correct, if they made a mistake they should not be lampooned and criticised by the Hon. Peter Dowding.

The Hon. P. H. Lockyer: It is a disgrace.

The Hon. A. A. LEWIS: The Hon. Peter Dowding tried to be smart and tried to curry favour with one social strata of the community.

The Hon. Peter Dowding: A 71-year-old pensioner.

The Hon. A. A. LEWIS: He did this without really knowing his responsibilities as a legislator.

THE HON. TOM KNIGHT (South) [11.08 p.m.]: The Hon. Peter Dowding went to great extremes this evening to prop up the stand he took when he asked questions last week in this House. At that time I rose to criticise his stand, and as members will recall I pointed out that although the Hon. Peter Dowding was not present I had to raise the matter that day because it was not something I could allow to go on and on and on.

The Hon. P. H. Lockyer: Quite right.

The Hon. TOM KNIGHT: As I see the situation, the Hon. Peter Dowding has gained a lot of notoriety as an adverse and critical young man, and as a result of that notoriety he receives a lot of publicity in the Press, publicity which obviously builds his ego. Now he is going out of his way to criticise publicly under the protection of the Parliament two people appointed by the Government—whether it be my Government or his does not matter—to uphold the law of this State. For him to name them in a place where they have no right of comeback is despicable to the greatest degree.

The member referred to the education of these justices, and certainly in doing so cast aspersion

on their abilities and standing as JPs. He indicated they are not fit people to hold the positions they do, or do not have the adequate education necessary to be involved in legal procedures and to carry out the duties to which they were assigned. Obviously the Hon. Peter Dowding with his legal background is jealous and over-zealous of the fact that these people who have not had the same training as he have been appointed to ensure the law laid down by this Parliament is abided by and upheld.

I did not intend to hold the House long, but I had every right—

The Hon. P. H. Lockyer: Of course you did.

The Hon. TOM. KNIGHT: —to support those two justices.

The Hon. P. H. Lockyer: As a good member should.

The Hon. TOM. KNIGHT: The Hon. Peter Dowding should not have named those people from a position where they could not answer back.

It seems to me that the Labor Party policy now is to cast aspersions on JPs and others appointed to uphold law and order. The Hon. Peter Dowding went to so much trouble to refer to a particular Bill, Act or inquiry in an attempt to show that the Hon. David Wordsworth and myself did wrong by allowing the elderly pensioner to be gaoled—they were the terms he used—but his action was completely wrong.

In conclusion I wish to draw attention to something I was asked to read many years ago—the Communist manifesto—in which it states in kind that if one wishes to bring down a country and its people, one should pull down their leaders by casting aspersions on them and discrediting them. By breaking them down and breaking down the principles of law and order, one can bring total disregard for law and order and bring about a revolution. This fact was drawn to my attention many years ago and it has come back to me that this is the sort of thing which may be the Labor Party's new policy.

THE HON. J. M. BERINSON (North-East Metropolitan) [11.21 p.m.]: As the contribution by Government members to this debate has proceeded it has become "curiouser and curiouser". I did not think we would reach the stage of being accused of trying to implement the advice of the Communist manifesto, but I think that was a suitable point for the Government members' contribution to end, because the very absurdity of it puts into a nutshell the general position which they have adopted throughout the debate.

Government members started with a renewed attack, based on the Hon. Peter Dowding's question about a conviction and sentence. That was question 246.

I do not intend to enter into the merits of that particular conviction or the sentence, but the continued argument that the Hon. Peter Dowding somehow behaved improperly when he discussed the subject or produced a question on it is really plumbing the depths. His views can be disagreed with on this or on any other subject, but to say that they should not be expressed is a denial of the very right and role of members of Parliament.

The Hon. P. H. Lockyer: No-one said it.

The Hon. J. M. BERINSON: It has been stressed, in the earlier argument tonight, that is at the heart of the problem—

Several members interjected.

The Hon. J. M. BERINSON:—in this dispute. Whether or not a disagreement, or criticism of a judicial decision is made with reference to the judicial officer's name is beside the point; the essential point is the right of the member to pinpoint a criticism which he believes ought to be made.

The Hon. P. G. Pendal: No-one denies that.

The Hon. J. M. BERINSON: If he feels that criticism should be specifically pinpointed to the judicial officers concerned, that is his right also. We are not operating in a kindergarten here. Does anyone here believe that if a question of this sort had been placed on notice, without reference to the particular JPs, the media would not have followed it up to the extent of finding out who were the JPs and including that in the report on the question? Of course they would. We are not operating here in a kindergarten, we are operating here in the light of public in the same way as the courts are expected to operate.

The criticisms directed at the Hon. Peter Dowding ignored the serious point of his question which related to the attention he sought to draw to the desirability of reducing the rate of imprisonment in Western Australia.

Every comment tonight has denied or ignored the serious aspect of this question and that is in stark contrast to the Attorney General's answer to the question which did accept it as a serious one. It was answered seriously, as it should have been.

I commend to other members the approach of the Attorney General in answering that question. He placed emphasis on the most serious aspect of it and that is where the reply was directed.

Hon. Peter Dowding: Absence from Chamber.

The Hon. J. M. BERINSON: Halfway through all this meandering attack on the Hon. Peter Dowding, we suddenly switched from the question of naming certain justices of the peace to the question of certain members being absent from the House. Government members really entered into a competition of extravagance.

One member—I think it was the Hon. Sandy Lewis—said that Labor members were being "caucused" up north. The Hon. Phil Lockyer left Mr Lewis for dead in describing what had happened as "prostitution of the Parliament: members of the Labor Party in this House are prostituting the Parliament by going out electioneering"—a dreadful occupation for a member of Parliament, going out electioneering. Since when has it been a proper role of members of Parliament to go out electioneering? Other people should go out electioneering, members should stay here. That is what the Government members are saying, that is what all this nonsense about prostituting Parliament, by our absence—

Several members interjected.

The Hon. J. M. BERINSON: Let us look again at the reality of the situation.

The Hon. P. G. Pendal: You have done a good job, now sit down.

The Hon. J. M. BERINSON: As members of Parliament, we are operating at the pinnacle of the political process in this State; politics is what we are all about.

The Hon. P. G. Pendal: Exactly.

The Hon. J. M. BERINSON: Electioneering happens to be a vital element of politics.

The Hon. P. H. Lockyer: While Parliament is sitting?

The Hon. J. M. BERINSON: When Government members say that it is our duty to represent our constituents, I reply that I agree 100 per cent. There is no argument at all. Of course it is our first duty to represent our constituents, but our constituents, the constituents of the members on this side of the House, happen to have demonstrated that they would prefer to have a Labor Government in this State.

Several members interjected.

The Hon. G. E. Masters: You are having a job to keep the smile off your face.

The Hon. J. M. BERINSON: I am having a job to keep the smile off my face, especially after hearing Mr Lewis' diatribe.

The Hon. Peter Dowding asked an appropriate question but the type of contribution coming from the other side—if it was serious—was a reflection on the intelligence of those members and what they were trying to do.

Several members interjected.

The Hon. P. G. Pendal: Very loyal, but pathetic.

The Hon. J. M. BERINSON: They persuaded themselves, because no-one else will believe them, that somehow this House is removed from politics. We are not.

The Hon. P. G. Pendal: What a stupid comment.

Several members interjected.

The Hon. J. M. BERINSON: It may be that I am declining in response to what is happening all around me. That is a possibility.

The PRESIDENT: Order! I ask the honourable member to address his comments to the Chair and ignore the interjections. I think we will then make some progress.

The Hon. J. M. BERINSON: I am saying, and saying it seriously, that all these expressions of indignation in respect of the absence of members of the Labor Party from this House for several days in the last couple of weeks are misplaced. Among other things, the views of the Labor Party on all legislation which has come before this Chamber have been fully expressed and none of the business of the Parliament has been neglected as a result of the absence of members for short periods.

The Hon. P. H. Lockyer: You have been made to work hard.

The Hon. J. M. BERINSON: What those members are doing and what I am about to do for a few days is in keeping with our responsibilities as members of a political party representing that party in this State.

I have deliberately refrained from any lengthy comments in defence of the Hon. Peter Dowding—

The Hon. P. G. Pendal: Because you are embarrassed.

The Hon. J. M. BERINSON: —because if there is one member in this House who does not need anyone to come to his defence, it is the Hon. Peter Dowding. That was best illustrated by the strange accusation that Peter Dowding was incapable of drafting his own questions. No-one who has taken any note of the contribution that the Hon. Peter Dowding has made to the affairs of this House could believe that. Anyone who

involves himself in that sort of proposition is reflecting his own lack of intelligence and ignoring Mr Dowding's very important contribution both in this House and in the constituency he represents.

Hon. Peter Dowding: Absence from Chamber

THE HON. I. G. PRATT (Lower West) [11.33 p.m.]: We should not adjourn the House until we have paid tribute to the wonderful theatrical performance by the Hon. Joe Berinson this evening. If one were to assess the Hon. Joe Berinson's attributes, he would gain 10 out of 10 for his theatrical performance, and one out of 10 for the content of his speech.

The Hon. Fred McKenzie interjected.

The Hon. I. G. PRATT: If the honourable member is feeling uncomfortable I cannot help him. I am not in the least bit uncomfortable and I would like to comment on the attitude expressed in Mr Berinson's speech. I listened to him carefully and one would believe that this debate was started this evening by Government members—as he said, they started it all. In actual fact, the member who started this adjournment debate tonight was the Hon. Peter Dowding, and the other members who spoke replied to the comments that he made. I do not think anyone, even the Hon. Peter Dowding, should be denied the right to express his views—and he had a perfect right to express the views about what honourable members said the other day, just as they had the perfect right to express their views.

Mr Berinson told us that Government members said that Peter Dowding's views should not be expressed. That is not the truth. It is a shame that a person of the integrity of Mr Berinson should say that, because *Hansard* will show those members who spoke from both sides of this House expressed the view that everyone has the right to express himself. Why then does this man get up and say this sort of thing? He had absolutely nothing else to say.

The Hon. Peter Dowding: He was just wasting time, was he?

The Hon. I. G. PRATT: I agree with the Hon. Peter Dowding that the honourable member was wasting time—

The Hon. Peter Dowding: You are wasting time.

The Hon. I. G. PRATT:—but I am not wasting time in giving this reply because I wish to put forward my point of view.

He is an incessant interjector and he cannot control himself and for that I am sorry. He has a problem and he will have to live with it.

I was talking about Mr Berinson's—

The Hon. P. H. Lockyer: Problem?

The Hon. I. G. PRATT: Yes, if he looks over his shoulder he will see that he has a problem. Mr Berinson suggested that half-way through the attack by the Government members on the Hon. Peter Dowding they mentioned the fact of this member's absence.

The Hon. Peter Dowding: The absence of other members. Why don't you listen?

The Hon. I. G. PRATT: That is not the truth because that matter was brought up by Mr Dowding himself when he chose to stand up on the adjournment tonight and talk about an interjection that the Hon. Phil Lockyer had made.

The Hon. J. M. Berinson: They were talking of that.

The Hon. I. G. PRATT: The member raised this matter of an interjection. For Mr Berinson to say half-way through the debate tonight that Government members raised the matter is complete and absolute nonsense.

Justices of the Peace: Imprisonment of Pensioner

The Hon. I. G. PRATT: I refer to another matter which has been raised in the adjournment debate tonight in relation to justices of the peace. It was stated by the Hon. Peter Dowding that many people are imprisoned because of the judgments delivered by JPs. Very often we have people with academic training who are jealous of the common person who has worked hard to maintain community standards. If we look at the penalties meted out by justices, we find they are closely related to the standards expressed by society.

The Hon. Peter Dowding: Do you think we should gaol pensioners for minor offences?

The Hon. I. G. PRATT: I listen every day to ordinary people and I hear their attitude towards the sentencing of criminals. Very frequently the ordinary person is outraged by the minor penalties people get for breaking the law in this State. I am not suggesting that this judgment was a just or an unjust one. I point out that justices do a wonderful job in this State and they are close to the groundswell of public opinion in this State.

The Hon. Peter Dowding: Everyone makes mistakes.

The Hon. I. G. PRATT: They do make mistakes; even some of the Supreme Court judges make mistakes.

The Hon. Peter Dowding: So this is one of them.

The Hon. I. G. PRATT: If the honourable member who is so keen and anxious to interject on my speech would listen a moment he would understand what I am talking about. Under this system the JP is closer to the feeling of the general public regarding penalties.

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [11.39 p.m.]: Even though I moved that the House adjourn more than an hour ago—and far be it from me to delay the House unnecessarily—it is incumbent upon me to say a few words in relation to the suggestions made in regard to justices of the peace and to the application of the sentence of imprisonment.

It is no secret that this Government has been quite concerned about the high rate of imprisonment that has obtained in this State for a long period of time. Indeed, it was as a result of the Government's own initiative that this matter was brought into the public light at a seminar. Following the comments made by Mr Biles of the Australian Institute of Criminology, the Government decided to set up a committee to inquire into the rate of imprisonment. Firstly, we have never sought to hide the fact that Western Australia has a high rate of imprisonment compared to the other States. Indeed, the only area having a higher rate is the Northern Territory. Secondly, we believed it was desirable to do something about it. As a result, the Dixon committee was set up. It was composed of some very highly placed people and it spent many weeks travelling throughout the State investigating this very problem.

The committee's report, which was long and detailed, is receiving consideration. In fact, a number of the recommendations have been put into effect already. A number of other matters have been attended to in relation to the rate of imprisonment—perhaps not all with the publicity which attended the Dixon committee report but nonetheless the Government has been concerned about the problem. I want to make that quite clear. The Government's intentions in relation to this matter are well known; and indeed further indications of this will be forthcoming as the months go by.

In my reply to the question asked by the Hon. Peter Dowding, I directed him specifically to the kinds of problems which justices of the peace face in isolated situations. He quoted from the Dixon report, but there were other items in the report which he did not quote, and it seems to me I

should refer to some other matters in this report. On page 119 we find the following—

Ironically in most areas where the problem has arisen the use of short terms of imprisonment has been imposed in an effort to assist the offender by obtaining treatment for him rather than from any desire to punish. During this Inquiry the Committee met Justices of the Peace in most parts of the State and despite the criticism which has been levelled at them the Committee records almost without exception, it was impressed by the approach shown by the Justices towards their unpaid and thankless duties. In those circumstances the Committee neither recommends the abolition of the judicial functions of Justices of the Peace nor is it prepared to recommend their powers to imprison be either taken from them or limited.

The Hon. Peter Dowding: It is a matter of education, isn't it?

The Hon. I. G. MEDCALF: The committee went on to record that the offence of drunkenness should not carry a sentence of imprisonment. That is one of the matters presently under consideration, but because the committee reports that the offence of drunkenness should not carry a sentence of imprisonment, and because the Government is concerned about the rate of imprisonment, it does not mean that justices of the peace are debarred from sentencing a person to imprisonment if, after hearing the facts of a particular case, and having considered the accused person's record, they come to the conclusion that he should suffer a sentence of imprisonment.

It would have been much better in these circumstances had the honourable member not imputed to these justices a lack of education. In fact the last part of his question did impute that the justices of the peace were in some ways suffering from a lack of education which did not fit them for the public duties which they had to perform.

I do not propose to read out the question, but it is quite apparent to anyone who reads it that this is so. I endeavoured to dispel that idea when I said that these justices were very experienced. Indeed they are most experienced justices, and also, voluntarily, they have enlisted in the correspondence course—a very good one by the way—to bring themselves up to date.

These justices on many occasions have presided over courts in the Esperance area. It would have been better if the honourable member had been a

little more familiar with the facts of the case. It is only when one looks at all the facts in a particular trial that one can say whether or not a sentence is appropriate.

In this situation the justices had before them a person who had been, on the evidence before the court, begging alms in the street on more than one occasion. Indeed, the facts indicate that he had been begging alms from small boys, and later on from small girls. The approaches may have been made in the reverse order, but they were only about half an hour apart. Indeed, it was fairly well known in the district that this was something he did frequently.

When the justices had recorded a conviction and they examined his record—I would not wish to go into the details of the record because I want to say the least possible about this unfortunate person but I have been forced into this—they discovered that he had over 100 convictions for various offences, most of which were drink caused. Of course his is a most unfortunate case.

The question has often been asked: What are justices to do in a situation like this? These experienced justices came to the conclusion that their only course was a sentence of imprisonment for one month. I believe the facts of the case should be examined before anyone casts a stone in the direction of these justices. What I am saying is that it is unfair and inappropriate without a full knowledge of the facts to impliedly criticise people who are performing a thankless public duty.

Question put and passed.

House adjourned at 11.46 p.m.

QUESTIONS ON NOTICE

INDUSTRIAL AWARDS

WA Turf Club

253. The Hon. FRED McKENZIE, to the Minister for Labour and Industry:

- (1) Are there any industrial awards covering casual workers employed by the WA Turf Club?
- (2) If so, would he advise the names of the awards?
- (3) What casual worker classification is covered by each of the awards?

The Hon. G. E. MASTERS replied:

- (1) Yes.
- (2) Awards of the Western Australian Industrial Commission—

Club workers' award 1976

Clerks (on-course totalisator) award 1977

Award of the Commonwealth
Conciliation and Arbitration
Commission—

Theatrical employees' (recreation grounds of WA) award 1974.

- (3) Club workers' award covers bar staff. Clerks (on-course totalisator) award covers such people as dividend payer, chief banker, and checker. Theatrical employees' (recreation grounds of WA) award covers categories such as parking attendants, ticket takers, turnstile attendants, general attendants, and fencemen.

INDUSTRIAL AWARDS

WA Turf Club

254. The Hon. FRED McKENZIE, to the Minister for Labour and Industry:

- (1) Are casual workers employed by the WA Turf Club entitled to any penalties when working on a public holiday as distinct from an ordinary Saturday?
(2) (a) If so, will he provide details; and
(b) if not, why are these workers not entitled to an additional payment when working on a public holiday?

The Hon. G. E. MASTERS replied:

- (1) Yes, but only in those cases where persons are covered by awards.
(2) (a) In the case of persons covered by the clerks (on-course totalisator) award 1977, there is a 60 per cent loading applicable as compensation for the fact that workers are required to work at night, on weekends and on public holidays and that workers are not otherwise entitled under the award to annual leave or sick leave.
In the case of workers covered by the club workers' award, casuals are paid at the rate of time-and-a-half. However, this rate is increased to double time-and-a-half for all work performed on holidays.
In the case of the theatrical employees' (recreation grounds of WA) award, casual workers are paid at the rate of time-and-a-half for working on public holidays.
(b) Answered by (1) and (2) (a).

FLORA

Woketherra Hill-White Peaks Property

255. The Hon. TOM McNEIL, to the Minister representing the Minister for Agriculture:

As the landowner of Woketherra Hill-White Peaks, Mr Bill Hemsley, reported the discovery of rare Western Australian flora on his property to the department, and as a result had immediate restrictions placed on his use of the area approximately 12 months ago, will the Minister advise—

- (1) As arrangements had been made for the Geraldton Town Council to extract top grade gravel from Mr Hemsley's property, which would have provided a very lucrative return to Mr Hemsley, what does the department intend to pay by way of compensation?
(2) Why has no decision been made by the Lands Purchase Board to finalise an exchange of land, as proposed by the Under Secretary for Lands?
(3) As the Hemsley's farm has been severely restricted in its operations, what compensation will be made for—
(a) loss of use of the land;
(b) the cost involved in building holding pens for his stud stock; and
(c) making alternative arrangements for agistment of his sheep?
(4) Can the Minister confirm that there has been a suggestion that a rock lobster fishing licence would be made available to Mr Hemsley by way of compensation?
(5) Is the Minister aware that farmers in that area have expressed their concern with the manner in which the department has treated Mr Hemsley and that, if faced with the same situation, would be most unlikely to co-operate?

The Hon. G. E. MASTERS replied:

- (1) The Wildlife Conservation Act provides that where a landholder applies to the Minister to take rare flora on his property and the Minister refuses consent, compensation can then be paid by the Treasurer for loss of use of the land of an agreed amount. Failing agreement, the amount is determined by an appointed arbitrator. Mr Hemsley has not applied to me for permission to take the rare flora but has approached the Department of Fisheries and Wildlife for a land exchange.
- (2) I am advised that on 27 October 1981, a meeting was held between Mr Hemsley, officers of my department, and an officer of the Lands and Surveys Department to discuss possible land exchanges with a view to reserving the areas containing the rare flora. Subsequently, the possible areas of exchange have been agreed with Mr Hemsley and referred to the Land Purchase Board. It is expected that this matter, following advice from the Valuer General, will be placed on the agenda of the next meeting of the Land Purchase Board.
- (3) (a) to (c) See (1).
- (4) Absolutely not.
- (5) No.

ROAD

Eyre Highway

256. The Hon. N. E. BAXTER, to the Minister representing the Minister for Transport:

- (1) Was the Minister aware that early in 1982 the bitumen edges of the Eyre Highway in WA were breaking away badly, thus creating a traffic hazard because of considerable surface difference between the bitumen surface and the shoulders of the road?
- (2) Has this problem been rectified during the past several months?
- (3) If so, what work has been carried out?

The Hon. G. E. MASTERS replied:

- (1) Yes, he is aware that due to the age and width of the seal some fretting of the seal edges and attrition of the shoulders is occurring.
- (2) and (3) To fully overcome this problem it is necessary to progressively recondition the shoulders and reseal the existing pavement as well as widen the seal. However, this work would cost a huge sum as the highway is over 700 km in length in WA. It is a national highway financed by the Commonwealth, but due to inadequate funding from the Commonwealth, the widening will have to be deferred. Because of this, progressive but only slow improvements to shoulders and resealing can be expected.

In 1981-82, \$400 000 has been provided for shoulders, reconditioning and \$455 000 for resealing of various sections on the highway.

The resealing work has been completed and the shoulder reconditioning is currently in progress.

In addition, \$38 000 has been provided for pavement repairs and \$505 000 for routine maintenance in 1981-82.

QUESTION WITHOUT NOTICE

COURTS: NEW BUILDING

Holding Room

61. The Hon. J. M. BERINSON, to the Attorney General:

- (1) Has the Attorney's attention been drawn to the report in today's issue of *The West Australian*, headed "First complaint on new courts"? The complaint relates to food, drink, and other conditions in a holding room at the central law courts.
- (2) Has the Attorney General been able to have this complaint investigated, and if so, with what result?
- (3) If he has not been able to have it fully investigated, will he undertake to do so and provide an answer as soon as he is able?

The Hon. I. G. MEDCALF replied:

- (1) to (3) I am indebted to the member for some advance notice of his intention to raise this matter. The only preliminary advice I have received is that the lockup area of the central law courts is run by the Police Department and not the

Crown Law Department. It will be necessary for me to make some inquiries through the Minister for Police and Prisons. I have received a copy of the letter mentioned in this morning's paper to which the Hon. Joe Berinson referred and I would be making inquiries in any event.
