Legislative Council

Tuesday, 6 December 1983

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

LEGISLATIVE COUNCIL CHAMBER

Photograph: Statement by President

THE PRESIDENT (Hon. Clive Griffiths): Honourable members, I have received a request from a lady for permission to take a photograph of the House in session. The lady is a granddaughter of the late Hon. George Miles, who was a member of this Chamber from 1916 to 1950. The photograph will be included in a biography of the late Mr Miles, which is in the process of being written. Because it is not usual for a request of this nature to be made, I have decided to seek the leave of the House before granting the necessary approval.

The people involved have been advised that, if approval is granted, the photograph must be taken as quickly as possible and with a minimum of fuss.

Leave granted.

BILLS (9): ASSENT

Message from the Lieutenant-Governor and Adminstrator received and read notifying assent to the following Bills—

1. Small Claims Tribunals Amendment Bill.
2. Lotteries (Control) Amendment Bill (No. 2).
3. Library Board of Western Australia Amendment Bill.
4. Indecent Publications and Articles Amendment Bill (No. 2).
5. Small Business Development Corporation Bill.
6. Business Names Amendment Bill.
7. Bills of Sale Amendment Bill.
8. Limited Partnerships Amendment Bill.
9. Acts Amendment (Student Guilds and Associations) Bill.

EDUCATION: HIGH SCHOOL

Warwick: Petition

On motions by the Hon. Graham Edwards, the following petition bearing the signatures of 430 persons was received, read, and ordered to lie upon the Table of the House—

To the Honourable the President and Members of the Legislative Council in Parliament assembled.

The Petition of the undersigned respectfully showeth:

That this Parliament notes the dangers experienced by students and drivers in the vicinity of the Warwick High School, particularly in crossing Erindale Road.

Your Petitioners most humbly pray that the Legislative Council, in Parliament assembled should urge that steps are taken to improve this situation in the near future especially because of the increase in student numbers in the 1984 school year.

And your Petitioners, as in duty bound, will every pray.

(See paper No. 569.)

LOTTERIES: INSTANT

Distributions: Petitions

On motions by the Hon. P. G. Pendal, the following petition bearing the signatures of 44 persons was received, read, and ordered to lie upon the Table of the House—

TO:

The Honourable the President and Members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

WE, the undersigned citizens of Western Australia:

Declare that the proposals now before the Parliament to reduce allocations of funds from the Instant Lottery to Sporting and Cultural bodies can be regarded as a step which will undermine any advancement and expansion in these fields for the citizens of Western Australia.

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

(See paper No. 570.)

A similar petition was presented by the Hon. John Williams (239 persons).

(See paper No. 572.)

HEALTH: TOBACCO

Advertising: Petition

On motions by the Hon. Neil Oliver, the following petition bearing the signatures of six persons was received, read, and ordered to lie upon the Table of the House—

TO:

The Honourable the President and the Honourable Members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

We, the undersigned are school teachers and we believe that education programmes alone are ineffective in discouraging children from smoking and only by combining education with legislation to ban tobacco advertising can we expect that the uptake of smoking by children will be significantly reduced.

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

(See paper No. 571.)

TRANSPORT: ROAD

Kojonup: Petition

On motions by the Hon. W. N. Stretch, the following petition bearing the signatures of eight persons was received, read, and ordered to lie upon the Table of the House.

To:

The Honourable the President and Members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

We, the undersigned citizens of Western Australia:

Hereby express our deep concern at the unsatisfactory, unco-ordinated and deteriorating state of the heavy transport industry in the outer Kojonup areas.

We are concerned that, at such a critical time for agricultural and associated industries, road transport is being denied them, even when it is the cheapest and/or most efficient mode available.

We further request the Legislative Councillors to press urgently for a realistic modern transport policy that will ensure the most rational and economic movement of goods to and from this important area.

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

(See paper No. 573.)

QUESTIONS

Questions were taken at this stage.

TOBACCO ADVERTISING: "THE GERALDTON GUARDIAN"

Select Committee of Privilege: Membership

HON. D. K. DANS (South Metropolitan—Leader of the House) [5.01 p.m.]: I seek leave to move a motion concerning the Select Committee of Privilege.

Leave granted.

Hon. D. K. DANS: I move, without notice—

That the Hon. Kay Hallahan be appointed to the Select Committee of Privilege to replace the Hon. Robert Hetherington.

Question put and passed.

Select Committee of Privilege: Report

HON. PETER DOWDING (North—Minister for Mines) [5.02 p.m.]: I seek leave to bring up a report from the Select Committee of Privilege.

Leave granted.

Hon. PETER DOWDING: I am directed to report that the committee has resolved to seek an extension of time in which to report, from 6 December 1983 until 20 March 1984.

I move—

That the report do lie upon the Table and be adopted and agreed to.

Question put and passed.

(See paper No. 574.)

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. J. M. Berinson (Attorney General), read a first time.

Second Reading

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [5.03 p.m.]: I move—

That the Bill be now read a second time.

The Bill seeks appropriation of the sums required for the services of the current financial year as detailed in the Estimates. It also makes provision for

the grant of supply to complete requirements for 1983-84.

Included in the expenditure estimates of $2 658.9 million is an amount of $277 411 million permanently appropriated under special Acts, leaving a balance of $2 381 489 million which is to be appropriated in a manner shown in a schedule to the Bill.

Supply of $1 100 million has already been granted under the Supply Act 1983. Hence further supply of $1 281 489 million has been provided for in the Bill.

Provision has also been made for a further grant of supply of $40 million from the public account for advance to the Treasurer which is to supplement the sum of $60 million already granted under the Supply Act.

In addition to authorising the provision of funds for the current year, the Bill seeks ratification of the amounts spent during 1982-83 in excess of the Estimates for that year. Details of these excesses are given in the relevant schedule to the Bill.

Members will appreciate that the opportunity of debating the detailed content of the Bill has preceded its arrival in this Chamber, and I commend the Bill to the House.

Debate adjourned, on motion by the Hon. G. E. Masters.

BILLS (2): RETURNED

1. Criminal Code Amendment Bill.
2. Workers' Compensation and Assistance Amendment Bill (No. 2).

Bills returned from the Assembly without amendment.

TOURIST DEVELOPMENT (SECRET HARBOUR) AGREEMENT BILL

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

TOBACCO (PROMOTION AND SALE) BILL

Assembly's Request for Conference

Message from the Assembly received and read requesting a conference on the amendments insisted on by the Council, and notifying that at such conference the Assembly would be represented by three managers.

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [5.07 p.m.]: I move—

That the House agree to the conference of managers requested by the Legislative Assembly in message No. 89 and that the managers for the Council be the Hon. P. H. Wells and the Hon. John Williams, and the Attorney General and that the Legislative Assembly be informed that the conference will convene on Wednesday, 7 December 1983 at 10 a.m. at 1 Harvest Terrace.

Question put and passed, and a message accordingly returned to the Assembly.

TECHNOLOGY DEVELOPMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. Peter Dowding (Minister for Mines), read a first time.

Second Reading

HON. PETER DOWDING (North—Minister for Mines) [5.10 p.m.]: I move—

That the Bill be now read a second time.

This Bill is of great significance to the development of this State, its people, its economy, and specifically the development of new industry.

It recognises the challenges of the current economic situation, and provides a basis for future developments to meet those challenges. The Government has a significant role to play in enabling the State—both the private and public sectors—to meet the challenges ahead.

Western Australia is facing a decade in which major economic and industrial challenges must be met and overcome. Advances in information technology, the emergence of high technology products, and developments in fields such as biological engineering and the like are moving to alter and redefine the way we view our processes of production and the means of distributing goods and services. Such technological advances are impacting on every aspect of our lives, not only within the workplace, but also at home in our family and personal lives.

The economic future of this State is resting on the ability of the people of this State, and the Government, to take up the issue of technological development.

Australia relies heavily on imports of other people's technology and is amongst the largest net importers of technology in the world. Countries as diverse as Ireland, Japan, Singapore, South Korea, Sweden, West Germany and the USA are large net exporters of technology. Even countries such as Belgium, Canada, France, and Spain manage to keep their technology trade balance

below half the Australian figure. The consequences of this neglect of our technological development is one of the key contributing factors in Australia's deteriorating economic performance.

There is a significant difference in attitude of the Governments in these countries to technological development, compared with Australia. Without exception, they are committed to high technology and growth in those industries; increased co-operation between the public and private sectors, and between industry and educational institutions; improved industrial relations, and a positive role by the Government to give the economy a sense of direction in technological development.

In the United States, for example, the Government has since 1958 supported and backed an established organised venture capital market to provide much needed risk capital for new industries. In the United Kingdom, the Government's National Research Development Corporation and the National Enterprises Board support commercially promising high risk manufacturing ventures.

In Canada, the Federal Government's Canadian Development Corporation is the largest shareholder in three of Canada's leading private venture capital companies. Ireland, Japan, Singapore, France, West Germany, Austria, Belgium, Denmark, the Netherlands, and Finland all have active Government involvement in the financial marketplace in order to encourage technological development.

In the area of skills development and education also, Australia has slipped badly compared with its neighbours and major trading partners.

In the 1980 OECD economic survey of Australia, the full-time school enrolments of young people aged 15-19 were identified to stand at only 45 per cent of the age group, and Australia ranked fourteenth of the 23 nations listed, well behind the leading nations, the United States—74 per cent—Japan—71 per cent—Switzerland—70 per cent—and Canada—65 per cent.

When we consider participation rates in tertiary education the proportion of the 17-22 year age group enrolled in tertiary institutions in Australia is 8 per cent, about half that of Japan—16.8 per cent—and one-third that of the United States—23.4 per cent.

While 60 per cent of the 15-19 age group is in the labour force in this country, comparable figures are 21 per cent in Japan and 18 per cent in the United States.

It should be hardly surprising, therefore, that in a period of rapid technological change and development, youth unemployment is increasing. Without greater access to skills and more enlightened attitudes from all of us, young people will not find work as easily as they might have 10 or 20 years ago.

Western Australia has a mixed economy. It is a blend of private and public sector activities with a heavy—75 per cent—reliance on the private sector. State Governments over the years have supported local companies with direct financial grants, advice, and various forms of assistance. None of these schemes has ever directly addressed general issues of technological development. The previous Government tended to maintain a policy of non-intervention in the marketplace.

The world is rapidly dividing itself into nations which either have access to new technology, advanced information systems, and knowledge-based industries, and countries which do not. There are fast developing "information rich" societies and "information poor" societies.

The "information rich" economies such as Japan and the United States will easily outmanoeuvre those countries whose economies continue to rely solely on traditional industries where reliance is placed on natural resources and little attention is paid to other key areas of technological development.

The internal challenges are equally daunting. Technological development generates wealth, and wealth created in this way must be fairly and equitably distributed if the living standards of many Western Australians are not to plummet sharply. Our traditional means of achieving this distribution of the benefits of new technology are already showing themselves to be inadequate. The wages systems, the collective bargaining approach, and the very nature of work itself are under increasing challenges.

We must find new ways and means of addressing these challenges. The old ways are not getting us very far. This Government is determined that it will take innovative steps to tackle the issues. This Government is determined to support and promote innovation in all its forms in the area of technological development.

Therefore this proposed legislation is designed to create a new, flexible structure for the Government to deal with the issues of technological development.

The structure is also designed to be cost-effective. That is, it will rely on participation from the wider community and will not establish a large, traditional, departmental system. Such traditional concepts are suited to the administration of well-defined areas such as education or health.

Provision is made in this Bill to establish the following—

The WA technology development authority;

the WA science, industry and technology council; and

the WA technology directorate

This overall scheme is designed to allow the Government to develop in as many areas as it can with both positive and dynamic initiatives.

The authority will be responsible primarily for the creation, establishment, and management of high technology "parks". The council will be responsible for providing the Government with specialist and expert advice from the wider community on matters associated with science, industry, and technology and their likely impact on the social and economic life of the State.

A number of standing committees of the council will be established immediately in such areas as State Government purchasing policy, electronic industry, industrial relations and biotechnology.

The technology directorate is intended to be the Government's research and co-ordination unit in technological development. It will have a vital and creative role to play in areas concerned with the promotion of technology development in the State, and in examining the impact of such development on the State. It will also provide support and back-up for the council.

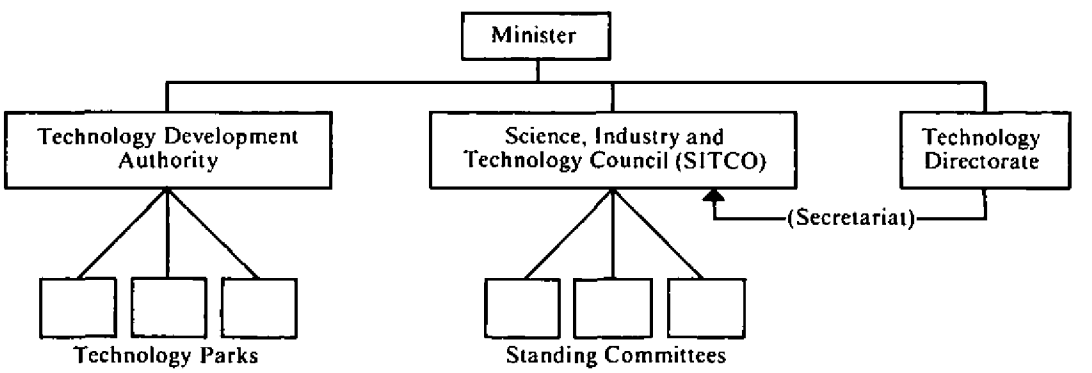
In taking these initiatives, the Government will replace the existing structures—the Technology Review Group and the Technology Park Management Board—and establish a more substantial and dynamic set of structures.

Members may be assisted in their overview of the Bill by referring to a schematic diagram of these three agencies of Government which shows how they interrelate with each other.

I seek leave to incorporate the diagram in *Hansard*.

The following diagram was incorporated by leave of the House—

Diagram: Structures mentioned in Technology Development Act 1983.



Hon. PETER DOWDING: The technology development authority is to be an incorporated body, while the science, industry, and technology council and the technology directorate are not to be incorporated. The WA technology development authority; the WA science, industry and technology council; and the WA technology directorate will work closely together—

with the Minister responsible;

through shared resources in the case of the council and directorate;

by shared membership across all three organisations at the management level; and

with the Department of Industrial Development and the WA development corporation.

The Bill makes provision to enable the Minister to declare land to be a technology park and thereby declare it reserved for research, development, production, or assembly of science-based products.

Provision is made also for the technology development authority to be governed by a board of management. The main functions of the authority

include the control and management of technology parks and related land and buildings, and the provision of services designed to promote the development of technology in the State, ranging from information dissemination to advising and administrative services.

The authority will have power to demand fees and charges for its services, manage the lands it controls, and handle its funds in the normal way. The Bill gives the Minister power to direct the activities of the authority as required.

The authority will have the services of a general manager and such other staff as are necessary. The Public Service Act 1978 will not apply to authority staff, but they may enjoy the benefits of the State superannuation scheme.

The Bill outlines financial provisions for the authority, and allows for moneys to be made available from time to time by Parliament. The authority has the power to borrow moneys with the approval of the Treasurer, who may guarantee the same.

The Bill provides for the establishment of the Western Australian science, industry and technology council, and this will be an advisory group of six to 18 people drawn from many sections of the community. The role of the council will be to advise and report to the Minister on matters relating to science, industry, and technology, and to liaise and co-operate with other groups engaged in related pursuits.

Funds for the council will be made available from time to time by Parliament as outlined in the Bill.

The technology directorate which has already been established has been given a statutory base as outlined in the Bill and the directorate will advise the Minister on policy and act as secretariat for the council. The directorate has the services of a director and may draw on professional and technical consultants as necessary.

Provision is also made for the making of regulations. This is essential for the management of technology parks and allows for the enforcement of established standards and convenants controlling use of the land in accordance with the ethos.

This Bill and the agencies created in it, will be the subject of a review in five years' time.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. N. F. Moore.

MULTICULTURAL AND ETHNIC AFFAIRS COMMISSION BILL

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

CITY OF PERTH PARKING FACILITIES AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. Peter Dowding (Minister for Mines), read a first time.

Second Reading

HON. PETER DOWDING (North—Minister for Mines) [5.21 p.m.]: I move—

That the Bill be now read a second time.

The amendments contained in this Bill have been brought forward at the request of the Perth City Council which is responsible for the administration of the City of Perth Parking Facilities Act.

Provision is made in this Bill to amend the Act to provide the Minister with the power to allow the council to lease or let land, or part of any building which the Minister is satisfied cannot be sold as required under the existing provisions.

The Bill seeks to overcome a difficult situation which has arisen in respect of the development of a number of shop units on the Murray Street frontage of the No. 9 car park in Pier Street, Perth.

In 1981 the council sought authority to include a commercial component in the ground floor frontage of car parks. The principal Act was amended in 1981 to permit the council, with the consent of the Minister, to make provision at ground level for the use of land or buildings or portion of a parking station for other municipal purposes, commercial, or other purposes, including the provision of premises for retail trading.

The plan was to enable the use of valuable street level frontages to greatest advantage and to provide a more pleasing facade.

The 1981 amendment ensured that such premises were to be used either for council purposes or sold with all money received from the premises to be paid into the parking fund and used only in relation to parking facilities.

The scheme devised at that time required the approval of the Minister for the inclusion of any commercial component and that such approval be published in the *Government Gazette* and tabled

before both Houses of Parliament, where it is subject to disallowance.

However, the sale of portion of a car parking facility presents problems as the council has to ensure that it retains the right to deal with the total property at some future time, perhaps for a total redevelopment or even sale of the facility, should the occasion arise.

The council was given the power to impose restrictions and conditions in respect of any land sold under the provisions of the Act; however, the 1981 amendment placed a mandatory duty on the council to sell properties which were developed—for example, for retail trading—without regard for the implications of that requirement.

In line with the authority granted under the previous amendment, the council proceeded with the development of five shop units along the Murray Street frontage of the Pier Street car park, and the street frontage of the car park has been greatly improved as a result. The council endeavoured to obtain freehold titles for the shop units, to overcome the cumbersome requirements of the Strata Titles Act.

The proposed subdivision envisaged "isometric" or "cubic" titles, although despite over two years of effort by the agencies concerned, no real progress has been made. The inability of the council to dispose satisfactorily of the properties under the existing restraints has had a serious financial impact on the parking fund budget.

This measure does not seek to give the council the right to become involved in commercial developments in its own right; but merely to overcome a particularly difficult situation that has arisen in respect to the shop units previously referred to in Murray Street.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. P. G. Pendal.

ACTS AMENDMENT (PARLIAMENT) BILL

Second Reading

Debate resumed from 22 November.

HON. G. E. MASTERS (West) [5.23 p.m.]: I commence my remarks by referring the House to the ALP's "Platform Constitution and Rules". I know this document has been referred to previously and the House's attention has been directed to it, but it is necessary once again to mention them. I refer to the thirty-fifth national conference in 1982, subsection (26), page 21 where one of the objectives is referred to as—

> . . . the reform of State upper Houses and ultimately their abolition.

It is necessary we consider that statement in many of the matters which are now being brought before the House and, therefore, I direct the House's attention to it at this time.

The ALP has failed miserably with its public campaign under the guise of reform, which is really a step towards the abolition of the Legislative Council. It has decided that it has failed in its appeal to the public and it will go about the business by stealth and deceive the public by calls for reform when it should be saying "abolition".

The ALP is proposing to set up a caucused House—a House shackled and gagged by Caucus. The Government is not giving any consideration to the people who elected its members in this House; they appear to be of no consequence at all. Already the intention is to abolish the House, come what may.

Hon. J. M. Berinson: That is not the policy of the Government. That has been made clear on very many occasions and there is nothing in this Bill to suggest otherwise.

Hon. G. E. MASTERS: If the Attorney General is saying that the ALP's "Platform Constitution and Rules", subsection (26), page 21 does not refer to him or the Labor Party in this State, then so be it, but I suggest it does and I suggest the member will have no choice eventually to conform with that requirement.

Hon. J. M. Berinson: That is not true. How about getting on to the Bill rather than the Labor Party Federal Platform?

Hon. P. G. Pendal: It is very relevant.

Hon. G. E. MASTERS: I bring that matter to the attention of the House because it is relevant to the debate. Obviously the Attorney has said that that reference is not a direction to him. I am interested to hear that remark, and over a period I shall remind the Attorney of various aspects of the ALP "Platform Constitution and Rules", and if it does not apply to him, let him say so.

Hon. Kay Hallahan: You ought to know!

Hon. G. E. MASTERS: I shall listen to the member's speech with great interest.

The Attorney's second reading speech on the Bill stated that the Bill provided for a resolution of deadlocks between the two Houses; that is, of course, the Legislative Assembly and the Legislative Council.

It is true the Bill provides for resolution of certain deadlocks, but in addition, it specifically and greatly increases the powers of the Legislative Assembly and severely reduces the powers of the Legislative Council.

The main proposals as I see them are these: Firstly, to eliminate the power of the Legislative Council to reject supply. It would place the Western Australian Legislative Council on a par with the formally nominated upper House in New South Wales—an upper House, I suggest, which is not typical of upper Houses in other parts of Australia and which is certainly not typical of the upper House in Western Australia.

Hon. J. M. Berinson: Do you think the Legislative Council should have the right to refuse supply?

Hon. G. E. MASTERS: The Government's concept will make the Legislative Council different from every other upper House in Australia. Not only would the Legislative Council be unable to reject supply, but also, because of the very wide definition of "money Bill" it would be impossible for the Legislative Council to reject any Budget Bills—for example, loan Bills, taxation and appropriation Bills, or any Bills which are part of the Budget process.

Hon. J. M. Berinson: Are you saying it is proper for the Legislative Council to reject them now?

Hon. G. E. MASTERS: I shall make my speech and the Attorney can make his.

Hon. J. M. Berinson: I am interested in your opinion.

Hon. Peter Dowding: He is avoiding the issue.

Hon. G. E. MASTERS: I have seen the Attorney very nicely trying to get away from the argument.

Hon. Tom Stephens: He is not; he is trying to get you to address yourself to the argument.

Hon. G. E. MASTERS: I am talking about the definition of a "money Bill". The Government has made no attempt whatsoever to define "Appropriations for the ordinary annual services of government". This is dismissed by the Attorney in introducing the Bill, and I assume by the Government, on the basis that attempts in the past have led to interminable difficulties and have produced constitutional disputes.

The fact is conveniently ignored by the Government and the Attorney when introducing the Bill, that the recent Constitutional Convention in Adelaide published a definition put forward by Senator Rae. That is totally ignored and one can only ask why it has been ignored. If a definition in any shape or form has been accepted, surely the Government should consider it and quite probably use it. I suggest it matters very little whether a definition has been agreed to or supported in Adelaide or anywhere else; the Government is determined that the Legislative Council in this State will have no power at all to reject or to hold up supply to any Bill relating to the Budget process.

Hon. Peter Dowding: Do you urge that it should have that power?

Hon. G. E. MASTERS: In certain circumstances it should have that right. I will finish my speech, and if the Minister remains here, which I doubt he will, he will learn something.

The Government is determined that the Legislative Council will have no power to reject or hold up supply or any Bill relating to the Budget process. The Government shows contempt for the members of this House, and even contempt for its own members of this House. I need hardly say that such a revolutionary proposal would be totally unacceptable to members on my side of the House and to the Opposition as a whole. I imagine that the taking away of such powers would be objected to by all members of the Government, whether or not they are prepared to admit it. The fact is that the proposal or suggestion by the Minister introducing the Bill, that the Bill derives from the House of Lords or is related to the previous New South Wales nominated Legislative Council, shows how unrelated this proposal is to the Legislative Council of Western Australia. I suggest the proposal shows a lack of integrity and sincerity on behalf of this Government.

The second proposal deals with the failure or rejection by the Legislative Council of legislation of a general nature, apart from money Bills. The proposal in the Government's Bill is this: After the second rejection—that is, after a time interval of three months—the Legislative Assembly has a choice, and that choice is either to take the Bill to a referendum, which would simply be to go to the people, or to conduct an election on a double dissolution of the Legislative Assembly and the Legislative Council. One could ask: Why bother to go to an election? What is the reason for that? If the Government's proposal is followed through it simply means that there would be no purpose for an election, because after the re-elected Legislative Assembly again passes the Bill the Government can simply take it to the Governor without any reference at all to the Legislative Council. The Legislative Council does not have to be asked to consider the Bill again, even if, after the election, the membership of the Legislative Council has changed. The Legislative Assembly will simply pick up the Bill and go to the Governor and say, "This will be law".

Hon. Peter Dowding: That is the reference to the people, isn't it?

Hon. G. E. MASTERS: The member knows very well what I am getting at. If he had any faith in or support of this House and our bicameral system, he would not make such silly interjections; but we know he has a commitment to the abolition of this Legislative Council. It is no wonder he bleats like a stuck man. There can be no parallel between this legislation and the deadlock processes of the Australian Senate and, in all circumstances under this legislation, the Legislative Assembly would be supreme. The Hon. Peter Dowding would say that is good, regardless of whether the Legislative Assembly membership changes. It does not make any difference to him because he has no time for the Legislative Council. He is just sitting here waiting for the time to go to that other place, and when he does, my goodness, we will be pleased.

Government members interjected.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order! The honourable member will be heard in silence.

Hon. G. E. MASTERS: The new concept in this Bill is that there be Government by referendum. Much to the embarrassment of the Minister handling the Bill, the Hon. Peter Dowding believes that is a good idea. The Bill was introduced so that a Bill on any issue can be passed by referendum on the resolution of the Legislative Assembly only. What is the point of having a Parliament if that is the proposition the Government of the day puts forward? It would be an expensive procedure, which of course would not worry the Government, or the Hon. Peter Dowding. This expensive proposition should be avoided; it would make a mockery of our bicameral system which members opposite are committed to destroy.

Hon. Peter Dowding: What about obstruction?

Hon. G. E. MASTERS: I suggest the Minister look at the record of the Legislative Council over the last few weeks. The only Bill we have rejected is the first of the two Bills which represent the first step in the abolition of the Legislative Council.

Government members interjected.

Hon. G. E. MASTERS: It is the first step. The ALP policy—in fact its constitution—sets out the Government's intent. The Attorney General even doubts the constitutional validity of the Bill once rejected.

Hon. J. M. Berinson: You are now misquoting me for the fourth time, and I wish you would stop doing that.

Hon. G. E. MASTERS: If the Attorney can say during his speech that the Bill referred to is constitutional, and has no doubts about that, I will accept his statement, but in the meantime I must accept his statements in dealing with the financial interests Bill that he has reservations about it.

Hon. J. M. Berinson: My not conceding that it is unconstitutional, is that what you are referring to?

Hon. G. E. MASTERS: Government by referendum is an expensive exercise, the expense of which members opposite could not care less about.

Hon. Peter Dowding: So is having you in the House, but it doesn't mean we shouldn't have you.

Hon. G. E. MASTERS: I did not go to the great expense in my ministerial office as the member who has just interjected went to. I did not cost the public an enormous amount of money by bringing my friends and secretaries into the ministerial office. I did not do that at all.

Hon. Tom Stephens interjected.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): The Hon. Tom Stephens will cease his continual interjecting in a loud voice.

Hon. Peter Dowding: I did not do that in my office.

Hon. G. E. MASTERS: I will ignore that comment, because everyone knows the Minister did.

The third proposal, which has not been dealt with by the Minister relates to constitutional changes. I refer to section 73(2) of the Constitution Act, which deals with moves to change the Constitution, to abolish the office of Governor, to abolish the Legislative Council, and to appoint nominee members to the Legislative Council instead of those members being chosen by the people. The Bill allows cases such as those I have referred to in section 73(2) to be dealt with merely by a referendum. There would be no need for any legislation to be passed by a majority of the Legislative Council. These provisions again show the Government's absolute and utter contempt for this House, which is elected by the public of Western Australia.

Hon. Peter Dowding: That is ludicrous.

Hon. G. E. MASTERS: This Minister is making himself look ludicrous by making silly statements. At least he is in the House today, which is something of a relief.

Hon. Tom Stephens: He makes sense when he is here.

Hon. G. E. MASTERS: The Hon. Tom Stephens does not make sense; he is the most rapid runner I have ever seen. I do not want to address my remarks to the road-runner—they are an embarrassment to him. Of course, he laughs. The procedure embodied in this Bill would effectively bypass constitutional provisions designed to ensure that the State has a Governor. I wonder whether Government members believe we should have a Governor, and a Legislative Assembly and a Legislative Council chosen directly by the people.

Hon. J. M. Berinson: Do you believe in any parliamentary reform?

Hon. G. E. MASTERS: Of course I do.

Hon. Peter Dowding: Let's hear about it.

Hon. G. E. MASTERS: Members opposite will hear about it, and I suspect that when they do they will be impressed. I will not rush through my speech to give those reforms now. We have plenty of time. In fact, we have until Christmas—or even after. I will get to the point the member raised.

Hon. Graham Edwards: I want you to put some intelligence into it.

Hon. G. E. MASTERS: That remark typifies the Government's position. The speeches of members opposite have been by way of interjection only. Interjections are the only speeches we have heard this year from members opposite, because they are under direction to speak not at all or only briefly. I am looking forward to some speeches from them.

Several members interjected.

Hon. G. E. MASTERS: The points I have raised, including the fact that the members of the Legislative Assembly and the Legislative Council are chosen directly by the people, must be important. They are changes of great magnitude.

Several members interjected.

Hon. G. E. MASTERS: Members laugh; I guess they do not think the changes are of great magnitude. However, most members in this House think they are changes of great magnitude.

A Minister in another place—and I guess we all know the Minister to whom I am referring—has said: "Why on earth do we need a Legislative Council?" The Government's objective is clear—it wants to completely emasculate the power of the Legislative Council and to bypass any pretext of referring legislation to the Legislative Council.

I would suggest that this legislation has not been named correctly. It should be called, "An Act to enhance the powers of the Legislative Assembly and reduce the powers of the Legislative Council".

Hon. Kay Hallahan: Hear, hear!

Hon. G. E. MASTERS: I heard a member say "Hear, hear" and it is good to have that on record.

Hon. Peter Dowding: When are you getting to reform?

Hon. G. E. MASTERS: The Hon. Kay Hallahan interjected and said "Hear, hear" and all the members on her side of the House agreed with her.

I repeat that the Bill before the House should be named, "An Act to enhance the powers of the Legislative Assembly and reduce the powers of the Legislative Council".

Hon. Tom Stephens interjected.

Hon. G. E. MASTERS: Mr Stephens may make his second speech before he gets a glass of water.

The Minister's speech was a hotchpotch and he needs to give some answers.

Hon. Mark Nevill: Read your own!

Hon. Peter Dowding: The Minister knows his speech is true.

Hon. G. E. MASTERS: At least we are getting some comments from the honourable member.

The Minister's second reading speech implied that the Western Australian Constitution would have been different had it been worked out prior to 1911.

Hon. J. M. Berinson: Of course it would have been.

Hon. G. E. MASTERS: The Minister said that changes in the House of Lords would have made a big difference to the situation which prevails in Western Australia today. I am not saying that there would not have been a difference; but there was an implied comparison by the Minister of the elected Legislative Council of Western Australia with the appointed House of Lords. That statement is out of place. I am surprised that the republicans on the other side of the House have not recognised how deliberately misleading that statement was.

Hon. Peter Dowding: When are you getting to reform?

Hon. G. E. MASTERS: The statistics quoted by the Minister when introducing the Bill suggested there was greater activity when a Labor Government was in power in regard to conferences of managers and the rejection of legislation.

Hon. Kay Hallahan: That is right.

Hon. G. E. MASTERS: That may appear to be the position, but it does not explain how the system works. If honourable members would listen they would understand.

The ALP overlooks the fact that proposed legislation can be rejected or amended privately in the party room. As far as the ALP is concerned it is a *fait accompli*; but the situation is different in the Liberal Party. Many of the Liberal Party Bills which are introduced into the party room never see the light of day and are never recorded.

Several members interjected.

Hon. G. E. MASTERS: I would suggest that if Government members were able to comprehend the Liberal Party system and the way it works they would understand and would say, "Yes, we have made a mistake". Unfortunately, ALP members do not have the same opportunity as Liberal members. When I was a Minister, the Hon. Graham MacKinnnon and the Hon. David Wordsworth—

Hon. Peter Dowding: He gave you curry.

Hon. G. E. MASTERS: Who?

Hon. Peter Dowding: The Hon. Graham MacKinnon. Your performance was pathetic and he could see that.

Hon. G. E. MASTERS: At least I improved, but the Hon. Peter Dowding goes from bad to worse.

The ALP has no understanding of and overlooks the way the Liberal Party system has worked. Our system made a big difference when the Liberal Party and National Country Party formed a coalition Government.

It is significant that we note the deception in the statement made by the Minister when he introduced this Bill. It is not worthy of him and I was disappointed to hear him make the statement. The Minister referred to the number of Bills that have been rejected by the Legislative Council since his Government has been in power.

At the time he made that statement only one Bill had been rejected; but he said that two Bills had been rejected. That was a deception and an unnecessary untruth. If the Minister can say a little thing like that, what other things can he say? To make it even worse the Premier—

Hon. D. K. Dans: The Premier never told a lie in his life and don't you even imply that.

Hon. G. E. MASTERS: I ask the Leader of the House to stand up when I have concluded my speech and explain why the Premier, only a few days ago, said that five Bills had been rejected by the Legislative Council.

Hon. Kay Hallahan: If he said it, it is true.

Hon. G. E. MASTERS: I ask the Hon. Kay Hallahan to name the Bills for me.

Several members interjected.

Hon. G. E. MASTERS: Not only did the Minister tell an untruth in this House by saying that two Bills had been rejected instead of one, but the Premier also told an untruth by multiplying the figure and saying that five Bills had been rejected. This sort of thing is distasteful and demonstrates that the Minister is getting worried.

Hon. Tom Stephens: That is rubbish.

Hon. G. E. MASTERS: The Hon. Tom Stephens should get another drink of water. He has the right colour tie on today.

Hon. Tom Stephens: You look like a buffoon. You talk like one and you are one.

Hon. I. G. Pratt: You are not game to make a speech.

Hon. Tom Stephens: Shut up.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order! Interjections from members not on their feet will cease.

Hon. G. E. MASTERS: Thank you, Mr Deputy President, for allowing me to make my speech and I will not refer again today to the member wearing a yellow tie.

The proposal to have a referendum is a red herring. Surely nobody in his right mind would expect the Legislative Council to pass a Bill of which it disapproved simply to enable a referendum to be held.

Hon. Peter Dowding: You know you would lose it.

Hon. G. E. MASTERS: Under the present Constitution both Houses must pass, by an absolute majority, a motion to hold a referendum.

Hon. Peter Dowding: Agree to it.

Hon. G. E. MASTERS: I suggest to the Minister that he does not interject and that he listens carefully to what I have to say. I suggest that he closes his eyes—the cameras are not here any more—and that he does not rush in and interject, but that he just relaxes.

The fact that the Legislative Assembly and the Legislative Council pass legislation by an absolute majority indicates to the public that both Houses approve of the legislation. The suggestion of the Government, that one House would pass legislation of which it disapproved simply to hold a referendum is surely not worthy of putting forward. I wonder if members would agree that if this House were to pass legislation and the Legis-

lative Assembly disagreed with it, it should be sent to a referendum.

Hon. Peter Dowding: Go to a referendum for anything, if you are worried about it.

Hon. G. E. MASTERS: I would do some rapid work tomorrow to introduce a Bill into this House which I think the majority would support, and I have no doubt honourable members will agree that if the Assembly disapproved, it should put the matter to a referendum.

Government members ask what is wrong with the Bill. I would suggest the statements being made amount to amateur parliamentary practice. It is a cynical Government which believes that the public are gullible. They are not gullible, and they have proved it. I hear the members on the other side say, "Let the people decide". Soon someone will walk in with a little badge saying "Let the people decide".

Hon. Peter Dowding: "Let the people decide" is a funny concept to you, is it?

Hon. G. E. MASTERS: We think having little people walking around with little badges typifies what the Government stands for.

Hon. Peter Dowding: Government by democracy.

Hon. G. E. MASTERS: Let us get this straight: The Legislative Council has never rejected supply.

Several members interjected.

Hon. G. E. MASTERS: The Government is painting pictures of the terrible things which will happen. They have never happened.

Hon. Peter Dowding: You were demanding the right.

Several members interjected.

Hon. G. E. MASTERS: There they go again.

Several members interjected.

Hon. G. E. MASTERS: It is important that members understand what the other side thinks about this matter, and indeed what the public think about it.

Several members interjected.

Hon. Kay Hallahan: Speak for yourself.

Hon. G. E. MASTERS: I will come and talk to the member one of these days. Why do we have this prospect of a disagreement? There is always a chance of a disagreement in a bicameral system, a two-House system; but disagreement has never arisen as far as supply is concerned. The Government is painting this picture in an endeavour to gain some sort of public support. But the public know—

Hon. J. M. Berinson: The public can rely on you.

Hon. G. E. MASTERS: Why are the proposals in this Bill the most extreme of any available? There is silence now.

I suggest the answer is that the reason an extreme stand is being taken is because the real purpose is to emasculate the Legislative Council and then abolish it. Government members would be hypocritical to deny it. Come hell or high water, the Government intends to have its way and gain control of this House if it can. The fact the proposals overlook the purpose of the Legislative Council is not important to the Government at all. It could not care less. It does not want the bicameral system, either.

The Legislative Council demonstrates it is a Chamber of checks and balances. Government members may laugh, but in recent weeks we have seen these checks and balances work. We have seen legislation amended and the Government in another place has accepted the amendments.

Hon. Peter Dowding: On what mandate? You represent a biased electorate.

Several members interjected.

Hon. G. E. MASTERS: May I say to honourable members that the checks and balances which the Opposition has carried out have resulted in changes to a number of Bills and corrections to legislation which was not properly formed or written. The Government was reacting in one case to statements made by the Premier in another place. These amendments have gone to the Assembly, they have been approved; so the Government must have accepted them as mistakes. That is what this Council is about: Checks and balances.

I would suggest that this Legislative Council has reined in an inexperienced and excessive Government. If we want examples we can take the SGIO Bill, the tobacco Bill, and the Bill concerned with financial interests of members. We know now that there are some doubts about the constitutional validity of that Bill.

Hon. D. K. Dans: You defeated the pecuniary interests Bill because you were frightened of it.

Several members interjected.

Hon. G. E. MASTERS: Let me say that the ALP, if it controlled this House, would successfully negate the purpose of this House. That is what members opposite want: To wipe it out completely. Nevertheless it should not be thought that the Opposition is not concerned with the general question of improving the situation in the two Houses.

Hon. Kay Hallahan: Let us see some evidence.

Hon. G. E. MASTERS: I will give it to members. I am not interested in the crossfire.

Hon. Peter Dowding: Change the colour of the carpet—that is the major reform you have in mind.

Hon. G. E. MASTERS: I guess that is about the standard of interjection we could expect from the Minister and of the fellow behind him, but we are looking at important changes. It has already been indicated by the leader of our party in another place that we are prepared to consider the need for a double dissolution in certain circumstances; that is, where there is a rejection of supply.

Several members interjected.

Hon. G. E. MASTERS: There has never been an example of the Legislative Council rejecting supply.

A Government member: Will there be?

Hon. G. E. MASTERS: What we are saying is, if ever there came a day when that happened, in certain circumstances we believe there could be a double dissolution. I am putting forward the proposal in the case of rejection of supply.

Several members interjected.

Hon. G. E. MASTERS: Let me finish my speech. I do not know what I am saying; members opposite are getting me agitated. I get very nervous.

Hon. D. K. Dans: I know you do. I am trying to help you.

Hon. G. E. MASTERS: The fact is that "appropriations" for the ordinary annual services of the Government needs definition constitutionally. Why on earth the Government is not attending to this, I do not know. It is no excuse to say that there are technical difficulties and problems; we are talking about profound constitutional changes.

The Opposition is concerned about the important question of disagreement arising between the two Houses, and it has offered openly to consider that proposition and talk about it. The Minister handling this Bill knows only too well that we on this side of the House requested more time to consider this Bill. That is all we asked for. We wish to make proposals—better late than never—and we say in all sincerity: Let us have more time.

Several members interjected.

Hon. G. E. MASTERS: The Minister refused. We had seven days in the Legislative Assembly and 16 days in the Legislative Council on an important Bill like this.

Several members interjected.

Hon. G. E. MASTERS: We have hardly had sufficient time to consider the complex constitutional changes, and if the Minister handling the Bill were asked to do the same he would say it was impossible.

Hon. Peter Dowding: We have told you all along wnat our position is.

Hon. G. E. MASTERS: Certainly the Government announced its intentions in broad terms in the media; but the Legislative Council is not accustomed to deliberating on media statements mixed with abuse and insulting comments against Legislative Council members and their ancestors by a rude and uncouth Minister who has already been disciplined by his own Premier.

Hon. Tom Stephens: You are as rude and uncouth as anyone, the way you sling comments across the floor.

Sitting suspended from 6.01 to 7.30 p.m.

Hon. G. E. MASTERS: Before the suspension I was well towards the end of my speech, but I want to make some concluding remarks because we must understand—and I must make this point again—that the Opposition requested a deferment so it could study the legislation and get a full understanding of the constitutional problems inherent in it. I said previously that the Leader of the Opposition in another place had already put forward certain proposals.

We have had just three weeks' notice of this Bill. I guess we would be happy to sit until Christmas, if that is what the Government wants. Certainly we are nearly at the end of the session and we have had limited time to study this Bill. Quite frankly it is a disgrace for the Government to expect members of the Opposition, or any other members of Parliament, to have such a short time to study such a major piece of legislation involving important constitutional changes.

Members on this side will not be bullied and pushed into making a quick decision, a decision that is not properly considered. I see that the Hon. Sam Piantadosi agrees with me.

Hon. S. M. Piantadosi: I am not agreeing with you.

Hon. G. E. MASTERS: We will not be forced into making a decision without first giving careful consideration to this measure, and coming to an understanding of it.

The reason the Bill has been introduced is that the Government wants the Opposition to reject it, and as many other pieces of legislation as possible, so that the Government can come up with a tally of rejected Bills.

Hon. J. M. Berinson: Disappoint us.

Hon. G. E. MASTERS: I will not disappoint Government members. We have no option but to reject this Bill, although we have offered to look at certain matters contained in it to see what can be done with a possibility of taking other action. If the Minister responsible for this legislation is prepared to have it deferred, I am sure we can consider it.

Certainly, I make the point that the Opposition rejects the idea of government by referendum. I have already given reasons for that.

Several members interjected.

The PRESIDENT: Order!

Hon. G. E. MASTERS: We insist on the rights of an elected second Chamber—

Hon. S. M. Piantadosi interjected.

Hon. G. E. MASTERS: That is one thing the member cannot accuse me of. When the honourable member talks about spine, let me remind him that I have not seen him cross the floor against the wishes of his Caucus. He should not talk to me about spine; it is he who should show some guts occasionally.

Several members interjected.

The PRESIDENT: Order! I will not tolerate any of these interjections, and I am certainly not going to tolerate discussions across the Chamber by members who are not involved in the debate. I want the member who is involved in the debate to direct his comments to the Chair.

Hon. Tom Stephens: Hear, hear!

The PRESIDENT: Order! I ask the Hon. Tom Stephens not to interject on the President when he is speaking, otherwise the honourable member will be on the receiving end. All I am saying to all honourable members is that when I am speaking and asking members to comply with the Standing Orders of this House, I do not want other members, no matter where they sit in this House, to indicate by gestures or frowns that they disagree with what I am saying. There is a very good opportunity for any member to disagree in the right way with what I say, if he wants to take that action. In the meantime, I am charged with the responsibility of maintaining order in this House, and I am endeavouring to do that with justice to all. I ask the member with the call to contain himself and ensure that his comments are relevant to the Bill and directed to this Chair.

Hon. G. E. MASTERS: We on this side insist on the right of an elected second Chamber to reject supply. Other matters could be the subject for discussion—and we have already made that point—if the Government were gracious enough to give us time. Irrespective of the Government's discourtesy, we will continue to make our own inquiries and then put forward our own proposition.

In the meantime, we have no choice but to accept the Government's request and invitation to reject the legislation. When the Attorney replies, I hope we do not receive another fullsome and hypocritical sermon on our wickedness for indicating we intend to reject the Bill, something which the Government is hoping and praying we will do.

HON. MARGARET McALEER (Upper West) [7.37 p.m]: This Bill is another attack on the functions of the Legislative Council, and—I agree with the Hon. Gordon Masters—on its existence. The Government would have introduced it whatever the outcome of the previous Constitution Bill because while that Bill proposed to emasculate the Council in terms of numbers, it still left it with the possibility of having a majority different from the Government of the day in the Assembly, and its powers intact. It is these powers of the Legislative Council, not its electoral base, which really concern the Government. Talk of proportional representation is just so much window dressing when it proposes to strip the House of almost every useful function. Bear in mind that the preferred position of the Minister responsible for this Bill, and he says of his party, is that all Government legislation should bypass the Council if it delays it for more than one month. Granted this is not in the terms of the Bill, but the Bill leaves the way open for this position to be adopted next time round. Furthermore, removing the safeguards of the sections of the Act which relate to the numbers, and the existence of the Legislative Council, paves the way for its abolition.

Just now reform or abolition of upper Houses is in the air; for instance, last year we had in Perth a workshop on the role of upper Houses conducted by the Australasian study of Parliament groups. In Britain a study group of the CPA reported on the role of second Chambers. However, though much thought and many words have been spent on the matter and various changes have been carried out, or sought, in a number of Australian States, the debate is characterised by a lack of agreement on what the functions of upper Houses are. Therefore, there is an equal lack of agreement as to what should be their structure and powers—or indeed whether they should exist at all.

Changes have been carried out, or sought, in a number of Australian States. The debate is characterised by a lack of agreement on what are the functions of upper Houses. Therefore there is an equal lack of agreement as to what should be

their structure and powers—or indeed whether they should exist at all. But since there is an inherent difficulty in doing away with them under the Constitutions of the Australian States and the Australian Commonwealth, the opponents of upper Houses have opted to render them irrelevant—and nowhere more so than here in Western Australia.

Writing of the House of Lords in the 1980s, Janet Morgan begins, "On summer evenings and winter afternoons, when they have nothing else to do, people discuss how to reform the House of Lords. Schemes are taken out of cupboards and drawers and dusted off, speeches are composed, pamphlets written, letters sent to the newspapers. From time to time the whole country becomes excited, opinion polls are taken, television programmes devised, professors and taxi drivers give their views. Occasionally legislation is introduced; it generally fails. The frenzy dies away until the next time. Why is this so? Why is the House of Lords so constantly a target for reformers—including many of its own members—and why are they so persistently unsuccessful?"

It is interesting to note that none of the reformers of the House of Lords, at least those in the English Liberal and Labour Parties, as far as I know, wishes to give it an electoral base, because, as they quickly say, that would give it claim to powers greater than it now has; those powers which the Government is proposing to leave the Legislative Council with.

The Australian Labor Party, or at least the Western Australian Labor Government, on the other hand does not mind, indeed it insists, that the upper House should be firmly based in the electorate. But illogically it would make it weaker than the unelected House of Lords. I do not see that one can have it both ways.

The Legislative Council of Western Australia is an elected House. It is a representative House. It may not be representative in the way the Government would like to see it, but it is elected by universal suffrage. It represents important regional groupings of metropolitan people, and the most significant minority in the State—country people. It therefore has a claim to act as a check and balance to the Legislative Assembly.

No-one claims that the Government is not primarily responsible to the Assembly, but as matters stand—and this is the nub of the matter, of course, and the point at contest—it has also some responsibility to the Legislative Council, made effective by the Legislative Council's power to refuse supply and send the Government to the people in an election. Whether, in that unusual—and in Western Australia, unique—event, the Legislative Council should go to an election too, is another but relevant question, and I tend to think it should if it is to be a properly responsible House.

In contesting this view—that is, its responsibility to Parliament as a whole—the Government contends that, because it is formed in the Assembly and controls the Assembly, it should also control Parliament with the least possible check to its legislative programme and of its administration, and that anything else is undemocratic. Yet not many politically aware people would claim that democracy was just a matter of majority rule or that there was not a good argument for looking after the interests of minority groups, individual rights, or regional interests—which is the sort of thing the Legislative Council is constituted to do, and attempts to do, even if it is not unfailingly successful. It is a proper function for the Legislative Council and it needs teeth to achieve it.

There is, moreover, a good general argument for the system of checks and balances embodied in our Constitution, which Lord Hailsham has expressed in this way—

> According to the view of Government which I hold, there are distinct limitations on the functions which Government itself can legitimately perform, whether Government by an individual, an oligarchy, or a democracy depending on universal suffrage in whatever form. These limitations are partly practical. Exceed them and the practical penalties are unacceptable. They are partly moral. Disregard the fundamental human values of justice and morality and you will soon turn majority rule into an unprincipled tyranny. But in practice, human nature being what it is, every human being and every human institution will tend to abuse its legitimate powers unless they are controlled by checks and balances in which the holders of office are not merely encouraged, but compelled to take account of interests and views which differ from their own. It was this, rather than the theoretical doctrine of the separation of powers, which led the founders of the American Constitution to frame its terms with which we may differ in detail but whole general purpose we can only applaud.

Whatever the Government may say, the Legislative Council is limited in its scope now and is itself decidedly held in check. It can amend legislation, but it cannot force the Government to accept the amendments. It cannot force the Govern-

ment to accept any Bill which it—the Legislative Council—initiates and passes. The most it can do with general legislation is to retain the status quo by defeating a Bill, and then there is nearly always a way around it for the Government. If anyone wants to know what a Government can do, let him cast his mind back to the two-man rule of Whitlam and Barnard in the first heady days of the Labor Party's victory in 1972.

Another proper function of the Legislative Council is to scrutinise the Government's performance, and while I would agree that under our present system this is best achieved and most visible when the majority in the Legislative Council is not a Government majority, it is still a most important and valid function of the Legislative Council.

Who else is there to do it? The Legislative Assembly is certainly not able to achieve that scrutiny, bound hand and foot as it is to the Government and its majority there, and with only a single standing committee to its name.

I think it just as important, as Mr Tonkin says he does, for Parliament to develop a committee system in both Houses in order to distance members on both sides from the Government, and to achieve reasonable, sensible compromises, and a more dispassionate view. But how can one take Mr Tonkin seriously when the Government wishes to reduce the Legislative Council to 22 members, when everything is to be taken away with nothing developed to take its place, even partially?

The device of referendum is no substitute for the scrutiny of Parliament and it is costly and cumbersome. It negates the electoral basis of both Houses which protects the minority. The perpetual threat of double dissolutions and/or referendums would be intolerable to the public. It could be seen as an undemocratic or at least tyranical threat to the Legislative Council.

This Labor Government is autocratic. It says "We are the State", in the best Louis XIV manner. It hardly acknowledges Parliament. It does not acknowledge a need for, or even the possibility of, compromise in politics. In practice, it resents it. It will not brook any delay to its plans, any deferment of its programme, no matter how little time it gives Parliament to consider its proposals.

The Government produces important, one might say, seminal Bills both earlier and now at the very end of the session, and allows very little time for their consideration by the Opposition or the public at large. It cannot even be ascertained whether the Government's own members are aware of all the implications of its legislation, since they so rarely enter into debate.

It is no good Government members saying that they have considered the Bills in the party room and signified their approval, because flaws in Bills, even if only caused by a draftsman's difficulty in translating Cabinet's intentions accurately, often are not seen by people who know what the Bills are supposed to say or assume that they do. It is often only when a Bill is examined critically in the Chamber that its faults or full implications emerge.

I know from experience that Governments and Government members may grit their teeth and proceed with a Bill regardless, but that is not the ideal this present Government has been holding up to the public.

The way the Government is proceeding must make one very wary of the proposals of its Bill. They are far-reaching and uncompromising.

We asked for a deferment of this important Bill because we wished to see if we could find some common ground with the Government. The two very busy weeks which have elapsed since the Bill was introduced into the House are not enough for us to study it properly or draw out all the threads. It is not a matter for easy agreement. More importantly, the Government's piecemeal production of its package for change has made it almost impossible to judge the parts in relation to the whole.

One cannot really know what one would be accepting in dealing with one Bill at a time. The Government is too devious altogether. I think there are areas we should continue to explore, but since the Government's attitude to these Bills is "take it or leave it", I prefer to leave this Bill, and I expect we will have to do our exploring alone unless the Government has a change of heart and looks for some consensus.

HON. V. J. FERRY (South-West) [7.50 p.m.]: I do not propose to spend very long on my contribution to this debate because we again have a Bill which has been served up by the Government in a manner designed to further the ALP's desire to try to embarrass the Legislative Council. The public are very clearly seeing the thrust of the Government's approach in this manner. Therefore, the Bill does not deserve a great deal of examination at this stage. It is quite apparent, as has been the case with a number of other Bills that we have debated this session, that the ALP members of this House will remain silent without contributing to the debate except by way of interjections from their seats from time to time. They are obviously embarrassed with this legislation, or else they do not believe in it. They cannot have it both ways. Therefore, the Government

obviously is putting this forward as a political exercise.

I refer to some of the comments made in the Minister's second reading speech when introducing the Bill to this House. I refer to the situation of conferences. As the Minister explained, in a situation where the managers for the Legislative Council are in a position of strength they can and do drive very hard bargains. It is rather extraordinary that that expression should be used in regard to a conference of managers. There are contributions from both sides of the argument, whether they come from one House or the other. I would not think managers' conferences are one sided. It is a mistake, for a start, to imply that hard bargaining could actually come from only one side of the argument. If that were the case, the Legislative Assembly would not be doing its job in the conference of managers. I refute that argument clearly.

Reference has been made to the so-called supply crisis in WA in 1973. That was surely a crisis in the minds of some people. It certainly did not occur in this House, because this House did not deny supply. That is clearly on record in *Hansard*; no-one can deny that.

Here again the Minister is endeavouring to mislead the public and the House. At that time it was suggested that this House should stop supply. I make a very firm assertion that had the majority of members in the House at that time happened to be ALP members, the move to stop supply would have been carried because ALP members are bound by caucus decisions, and they are caucused both in Government and in Opposition. That does not apply to the non-Labor members of this House; therefore, it had no effect in 1973 and there was no such crisis at all. That puts that point to rest.

This Bill contains provisions that if a deadlock occurs or if the Legislative Council rejects, or fails to pass a Bill, or requests amendments unacceptable to the Legislative Assembly, and agreement cannot be reached over such a Bill, after only one month the Government can take the Bill to the Governor and request his assent. Only one month! What sort of dictatorship is that getting this State into?

We hear a lot about consensus and co-operation and other nice honeyed words. The Government of the day purports to be a consensus Government seeking the goodwill of the people, and supposedly liaising with the people. It suggests that this House which comprises members elected by constituents in provinces throughout the State, does not have a right to take its time and to thoroughly examine legislation; if its examinations are not completed within four weeks or a month, it can mean the withdrawal of any money Bill. That is a ridiculous situation.

If that is the sort of policy the ALP stands for, I would be very, very happy to go to an election on that count alone. I would be delighted to take it to the people and see what they feel about it.

Hon. Mark Nevill: You might get endorsed.

Hon. J. M. Brown: That is true.

Hon. V. J. FERRY: The people will recognise that weakness which was mentioned in the Minister's second reading speech where he said that the Chamber has a permanent non-Labor majority. As I mentioned before, that is the case because the ALP has not been good enough to win sufficient seats. I have explained this in the House before. I particularly mention the north and the Kimberley areas. There are many examples of where the ALP has won seats and continues to win them. That claim is an indictment of the ALP's performance; it considers it cannot win control of this House. If members opposite are good enough they can win; there is no question about that. That comment of the Minister was very questionable.

At page 11 of the Minister's second reading speech notes he said that our present system is unfair to a Government whose election promises had been thwarted and which therefore had little to show for its period in office. Does he mean to tell me that the Burke Labor Government has done nothing since it came to power nine or so months ago, that it has been thwarted in its term of office, that it has been thwarted in appointing officers and in raising a whole range of taxes and licences, and thwarted in respect of its announcement yesterday after a Cabinet meeting in Bunbury that it would do all sorts of things under the "Bunbury 2000" concept?

Has this House thwarted that sort of action? Is this House thwarting all other regulations and blackmailing the Government?

Certainly this House has pointed to a weakness in one regulation. That is the only one. I have not counted the others, but I suggest many hundreds have been accepted in the last eight or nine months. The Government says it has been thwarted during its period in office. What an indictment of its own performance if it believes that. They are the Minister's own words; they are not mine. It is very strange that it should adopt these tactics, which I believe are designed to try to embarrass this House and hoodwink the public in regard to what the Government is about.

I repeat that the public of Western Australia are fast waking up to this Government, because the Government has been shown up for what it is—very shallow indeed.

I refer to the question of a referendum. The Minister said—

> Nothing could be more democratic than a referendum.

Those words are very fine and dandy. The Government said there are a number of issues which are admirably suited to a referendum so the public can identify those issues and vote accordingly. Therefore a referendum is appropriate. He later said—

> Some matters, however, are not really suited to referenda.

That is a contradiction. He continued—

> Legislation can be complex and involve the careful weighing of conflicting demands which in some cases would make unrealistic demands on the time and expertise of electors. Some situations could arise where resolution of a deadlock by referendum would be inappropriate.

On the one hand, we have the most democratic system, referenda; and on the other hand, "No, no, a number of things would conflict with the ability of a referendum to work. It would not be fair or democratic to have referenda". What is this Government all about? It is a two-handed Government, one hand this way and one the other way. Those are the Minister's own words. The Government is hollow.

Hon. J. M. Berinson: Would you accept one or the other method?

Hon. V. J. FERRY: The Minister has had his say and I am quoting from his speech. I say he is not sincere and neither is his Government and, therefore, this Bill is hollow.

I now refer to change; people are referring to this proposed situation as reform. Not all changes are, in fact, reform. Certain changes are made, and we all know that this House has instituted changes for the better in the past. These have been referred to and I specifically mention the situation in 1963 flowing to the general election of 1965, the franchise amendments introduced by the Legislative Council, and the changes in the provinces and membership of the provinces. Those changes were brought about by an all-party agreement. We discussed that situation and we must do it again. Those changes were achieved by consensus, discussion, and negotiation by all parties of the Parliament. No Bill was thrown into the House with the attitude of, "Take it or leave it".

This is rubbish. We must keep Australia clean and we must keep these rotten Bills out of the House. This Parliament should get together and, in line with the comments of the Hon. Graham MacKinnon, we must look at this matter in a genuine way to discuss whether some improvements can be agreed upon by consensus outside the Parliament before the legislative procedure. This Bill does not deserve a second reading and I will oppose it.

HON. G. C. MacKINNON (South-West) [8.02 p.m.]: When dealing with this Bill I shall continue the theme I have followed on previous Bills. The way to resolve this problem is by starting out with a genuine desire to reach agreement.

First of all, I did not see the deadlock-breaking mechanism as being the failure the Australian Labor Party regards it as being. I suppose that is because I have never viewed the Parliament as an instrument designed for the benefit of the Executive Government. While I was a member of the Executive Government I used what advantage it gave, but it has always been my belief that the founding fathers of whatever system was set up always designed the system to ensure that the Executive Government did not get its way. I think the history of English-speaking Parliaments is very much affected by Cromwell's action when he took one executive and chopped off his head. I refer to Charles Stuart. A famous English jurist commented that the day would certainly come when the people would probably have to repeat the action of Cromwell and behead some executive, meaning some Cabinet member. That may well happen in the fullness of time, but I certainly hope not. I quite like a number of the members of the current Executive and I would hate to see that happen.

Hon. J. M. Berinson: No matter for what party this system was designed, is it not true that the Westminster system concentrates power in the Executive wherever there is a fair electoral system?

Hon. G. C. MacKINNON: What Mr Berinson has said is spot on. It places in their hands the executive power, but not necessarily the legislative power. For instance in the American system—

Hon. J. M. Berinson: That is not the Westminster system.

Hon. G. C. MacKINNON: Certainly not. I am fully aware of the American system. I occupied what time I had available for some 3½ years in closely studying the Constitutions of all the Western nations and one or two of the Eastern nations.

It was a mistaken attempt to copy some aspects of government including the Westminster system at that time.

The Executive is quite removed from legislative power. Every system is designed to restrain the Executive and the Attorney General is well aware of that. There are delays and all sorts of built-in restrictions. Absolute power corrupts absolutely, and all the other cliches one may like to bring in would apply.

Hon. Garry Kelly: Not as one-sided as in this State.

Hon. G. C. MacKINNON: I even doubt if it is one-sided here. I think Mr Whitlam would consider that we are a real squib to a fire cracker alongside the 1975 Senate, for example. However, we are talking about this Parliament.

The system currently in use in this State can resolve what appear to be deadlocks provided there is goodwill on both sides. A number of systems can be devised. For my part, and I do not not take the Liberal Party into this, I think we should be sitting down and looking at the total picture. I certainly would not vote for this Bill in isolation. If I were involved in negotiations I would want some position from which to bargain. It could well be that members of this House, trying to look at the matter objectively, might give up the right to throw out money Bills. They may consider that it has never been used so it may as well be given up. But the members cannot be taken to a forced election.

On the other hand it could well be that at another stage of history members might say, "We will retain the right to throw out money Bills, but if we do that you can resolve the problem by taking us to the people as well". Those are a couple of the alternatives available which may be looked at. However, this should be looked at as a total package and not just a one-off Bill. I will continue to vote against these Bills, as Mr. Ferry said a moment ago, when they are brought forward one at a time. It smacks of an Aunt Sally that we can throw stones at and all we finish up with is a sore right arm while the Government finishes up with more propaganda. As far as I am concerned the Government must do that.

The present system allows for a degree of consensus. This House, in a purely objective way, made a decision and that decision is binding on the House. We can argue with that decision and some special arrangements can be made. This has happened in the past, sometimes for the best and sometimes not for the best. No parliamentary system is designed to give Executive the total and absolute right to implement all those programmes that it may wish to. I know of no system other than a totalitarian system that allows that. Not even a unicameral system will allow that sort of unfettered freedom of action. Generally some constraints are built into the system somewhere along the line. Therefore, the Government cannot say it is being restrained. It may be restrained in some legislative matters, but there is no restraint on the major activities of the Government: The adminstrative activities which occur and are run either by the department with the approval of the Minister, by the Minister with the recommendation of his department, or by Cabinet when more than one Minister is needed.

Hon. J. M. Berinson: Where do you think the British House of Commons or the New Zealand Parliament has any restraints in the legislative area?

Hon. G. C. MacKINNON: One of the restraints in the British House of Commons is the infinitely larger House which in itself is a built-in restraint.

Hon. J. M. Berinson: You either have a majority or not.

Hon. G. C. MacKINNON: It is difficult to get the kind of majority the honourable member is talking about when a party meeting may be comprised of more than 320 members. I think my memory is correct when I say the House of Commons has 640 members. It has a very strong committee system. I understand—and I am sure that if I am out of date Mr Marquet will give me a talk in a purely objective way—that the New Zealand system also has quite marked restraints. I have spoken to several Cabinet Ministers of both complexions from that country.

Hon. Garry Kelly: From within their own party?

Hon. G. C. MacKINNON: Not within their own party but within their own Parliament.

Hon. Garry Kelly: The Government knows it can get the legislation through Parliament.

Hon. G. C. MacKINNON: Mr Kelly has not been in this House for very long. Let me assure the member that I have never known the time when any Government knew it could pass legislation through its own Parliament. Indeed, the amount of unpalatable legislation that Governments are able to get through is quite incredible. If the member wishes to look at a classic case I refer to the strongest, most rigid, most domineering and moralistic establishment on earth today—the Soviet Union. I refer particularly to the Stalin era. It was the policy of his Government that Moscow should not grow.

Hon. Garry Kelly: That is a red herring.

Hon. G. C. MacKINNON: It is not. It is an answer to the question asked. I repeat that it was the unequivocal policy of the Stalin Government that Moscow would not grow and, despite everything Stalin did, Moscow grew. There was nothing he could do about it because public opinion was adamantly opposed to his Government's policy. Stalin said that there was no problem confronting the Government which could not be solved with cattle trucks. Yet he could not solve the problems of the inexorable growth of Moscow and centralisation of the people in that area. Governments are not all-powerful whatever the situation may be, with or without second Chambers.

We must have proper discussion with regard to the changes which will take place in this House. I have said that several times. I said it in 1964, when the time had come to abandon a perfectly justified system of property controlled franchise in which people who had made a mark in the community had a vote. Many people still consider that to be a reasonable system. I am prepared to consider changes to the present system. However, I am not prepared to see the Legislative Council reduced to a mere shadow of 22 members. Nor am I prepared to give away any bargaining powers we may need. I see this as one of them; it is an integral part of the total scene.

I am conceited enough to consider that I still have some influence in the Liberal Party, and as long as I do have, I state that the proper way to approach the problem of the need for change to up-date the Legislative Council is by discussion and by some form of conference. I think that would probably take several months. It is not possible to reach a proper solution by the Government's pushing up legislation and, metaphorically speaking, throwing it at us as wooden balls are thrown at so many rows of coconuts, then standing off and saying, "What a rotten shot you are", or casting some other epithet. For those reasons I am opposed to this legislation.

HON. NEIL OLIVER (West) [8.16 p.m.]: I am rather pleased to be following the Hon. Graham MacKinnon. I do not want to go over ground already covered, but I had similar words to say. I would like to support some of the views he put forward with actual practical examples of what has occurred in other States, and generally examine the bicameral system of government and upper Houses.

This Bill again covers six Acts, so it requires an amazing effort to undertake the necessary research and follow the cross-references which are applicable to a Bill of this nature. I did say, when the first Acts amendment Bill was introduced, that I had great difficulty in carrying out research. This Bill was introduced about 17 November in another place, so I suppose we have had reasonable time. It is not a Bill of a great number of pages, but cross-references and research are necessary. One must also look at the alternatives.

Because of the very nature of this Acts amendment Bill and the ones which have preceded it, they are, to a general lay person, very difficult to come to grips with and fully understand. I am quite certain the Attorney would fully support that proposal.

Hon. J. M Berinson: That is at the technical level. The principle of the Bill is not really difficult to understand.

Hon. NEIL OLIVER: I find that a tremendous amount of difficult work is involved in analysing cross-references to the various Acts. When we consider our Press reporters who are required to report on this form of legislation, it must be extremely difficult for them, unless they are expert political writers of some years' standing.

Hon. Garry Kelly: They understand what the Bill is trying to get at.

Hon. NEIL OLIVER: There is no doubt about it, the Minister's second reading speech was reasonably clear. In addition one can come to grips with deadlocks and the manner in which the Legislative Assembly may by resolution direct either of two actions if the Council fails to agree to a Bill. It is not difficult to understand that at all.

What I would like to say is this: We have these Bills trundled out one by one. For example, if one Bill is defeated, another is introduced the next day. They are trundled out almost like an automatic American indoor bowling alley. This brings discredit on the Government.

A Government member: This involves a different principle.

Hon. NEIL OLIVER: I do not think the Attorney would like to be seen or recognised as using that process to bring about what he may call electoral reform, but what I call electoral change.

Hon. J. M. Berinson: This involves a different principle from the earlier electoral reform Act.

Hon. NEIL OLIVER: I agree, but it is part of the overall pattern. As the Hon. Graham MacKinnon said, it is the overall package. We see the way these Bills are trundled out and the way the Notice Paper is manipulated to get as many

contentious measures as possible together all at the one time so that we can come to a glorious situation in which, out of almost 100 Bills before the House this session, suddenly two were trundled out together, and now we have three or four Bills thrown out, so that the Legislative Council has frustrated the Government's mandate by rejection.

I suppose that is politics. The Attorney has been a Minister in the Federal Government and he is aware of the situation. He is a political animal, and this is the way they go about things. It is probably wrong of me to bring it to the attention of other members, but from my own personal approach I find it somewhat distasteful.

Upper Houses have been proved to be unpopular, not only with the Labor Party. Sir Henry Bolte was very unhappy with the upper House during the period when he was in Government.

A Government member: Particularly when you are not accountable to the people.

Hon. NEIL OLIVER: In fact Sir Henry Bolte went to the extent of trying to find a way to disband the Legislative Council.

In Queensland, which has a unicameral system, the Labor Party has at times expressed its wish to have a bicameral system. In Brisbane *The Courier-Mail* in leading articles has regularly put forward the proposal that it would be desirable electoral reform to reintroduce the upper House with the bicameral system of government in Queensland.

Hon. Tom Stephens: We are not changing the bicameral system.

Hon. NEIL OLIVER: I will give some examples. In Victoria since 1856 there have been approximately 10 deadlocks over budgetary Bills. For example, if the Legislative Council rejects a Bill, the Assembly can be dissolved by the Governor by proclamation declaring such dissolution to be in consequence of the disagreement between the two Houses as to that Bill and as to that Bill only. There is then an election of the Assembly.

Hon. Garry Kelly: The Council is untouchable, surely.

Hon. NEIL OLIVER: When I have finished this speech, if Mr Kelly would like to make known his research, seeing he knows so much about it, I would be only too happy to listen to him. If he would like to listen to me now I will tell him what happens to the Council in that State.

After the Legislative Assembly goes to the people for election, if the Bill is refused again the Legislative Council must face the people. Mr Kelly had better start doing a bit of research instead of making interjections and thinking he knows something about the matter because I have not yet heard a speech from him in this House, apart from his maiden speech.

The next point is this: Say, for example, in Victoria, that Bill is once again—

A Government member: You are wrong again.

Hon. NEIL OLIVER: —defeated, the Governor calls a joint sitting of the Houses of Parliament to resolve it.

Several members interjected.

Hon. NEIL OLIVER: I said I would like to see us come to agreement in some way. If I am allowed to continue my speech I will come to the point I would like to make.

In Victoria a joint House committee was formed to examine this. The Australian Labor Party in Victoria is dedicated to the unicameral system, and it said so. But the point about it is this: Even though the ALP was unable to reach an agreement on it, it is interesting to note the following in *The Parliamentarian* of April 1983—

> Members of the Australian Labor Party on the committee were committed to the principle of unicameralism as far as Victoria was concerned, whereas Members of the Liberal and National Parties were of the opposite view.

The real point of it is this: The members were then able to achieve much unanimity in devising an effective role for the Legislative Council. In the committee's view, the principal reform to be effected was the establishment of a standing committee system in the Legislative Council.

There was a series of recommendations. For the benefit of members, I will read out those recommendations, as follows—

(a) the establishment of a system of standing committees with each having the responsibility for examining specific areas of government administration, and guaranteed constitutional support for its funding;

(b) the retention of Ministers in the Legislative Council and its powers to initiate legislation;

(c) the powers to reject appropriation or supply Bills;

(d) the powers to reject or amend other Bills;

(e) the present provisions relating to disagreement between the Houses; and

(f) the system of election for Members.

That was brought about by consensus; by the committee coming together. When I examined this legislation I went a step further to find out where it originated. I thought it might be a follow-through from previous legislation which seemed to have as its skeleton legislation passed in South Australia. Since examining this Bill I find it appears to have an association with a Royal Commission in Tasmania. For example I recall meeting you Sir, in Tasmania on one occasion when you were visiting in your capacity as a presiding officer. There is no doubt that Tasmania's bicameral system of government is one of the most respected, and it is a proven success. In fact most people admire it. The upper House is basically a non-political House. On my visits there I have been conducted into the Chamber by one of the Labor members who has explained to me the workings of the House; but basically it is a non-political House. The Labor Party has had between two and five members, and there is only one Minister.

In the past 100 years, the operation of the parliamentary system in Tasmania has resulted in only two deadlocks. The system used to break deadlocks is the same system as this House uses; that is, a conference of managers.

In conclusion, last October, when speaking about electoral reform which I called "electoral change" the Premier made statements similar to those which have been made by the Hon. Graham MacKinnon and similar to what I have said previously; that is, we should come together and discuss the entire package and we should approach it "with sensitivity", to use the Premier's words at the time when he was Leader of the Opposition. The Premier said that, apart from approaching it with sensitivity, to indicate the measure of the sincerity of the Labor Party, it would be in the minority at that conference or committee. That is the way in which the Premier, when Leader of the Opposition, proposed what is called "electoral reform" or "electoral change" in this State.

In Victoria we have an example where good progress has been made and frankly I know that the Attorney is accustomed to conciliation. As he well knows, that is part of the legal system. He is a legal practitioner and, if it is possible for one's client to obtain a settlement out of court rather than be involved in a confrontation in court, I understand that it is the principal aim of good legal practitioners to obtain such a settlement.

Rather than the Government trundling out these Bills time after time, let us approach the matter with the sensitivity which was demonstrated by the Premier in this proposal when he was Leader of the Opposition last year.

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [8.32 p.m.]: The existence and certainly the powers of the Legislative Council are largely the result of an historical accident. No one denies that the Northern Territory has a democratic form of Government, although it has only a single House of Parliament; no one denies that the Australian Capital Territory has a democratic form of Government, although it has only a single House of Parliament; no one denies that New Zealand has a democratic form of Government, although it has only a single House of Parliament. No-one suggests that an upper House in any of those jurisdictions would serve any useful purpose and if we were starting anew in Western Australia no-one would suggest that here either. The fact is, however, we are not starting anew and history cannot be ignored. Equally though, it should not be frozen, and that is the real problem with this Legislative Council.

The Legislative Council was established in 1890 with the general and wide powers of the House of Lords. Since 1911 the powers of the House of Lords have been restricted very severely, much more so than would follow from the enactment of this Bill. The problem is that the development has never been reflected in this State, with the result that the Legislative Council retains power to an extent which can be regarded only as anachronistic.

The position might not be so bad if the Council could fairly claim to represent the views of the electorate. The Council cannot make that claim and that is the answer to Mr Masters' argument that the House of Lords and the Legislative Council cannot really be compared.

The reason that the Council cannot claim to fairly represent the views of the electorate is that it has two inbuilt defects which prevent it from doing so. The first arises from the fact that the split election of our members ensures that, at most, only half of the Council at any one time represents current opinion. Its second disability arises from the rotten electoral system on which the Council is based.

To have achieved a majority in the Council following the last election, Labor would have had to win 12 out of the 17 seats, or 70 per cent of the seats. Considering that we won only 41 per cent of the seats with over 52 per cent of the vote, the impossibility of that larger task will be obvious.

If people want to argue for the retention of the Council and its present system of split elections, the least they could do is to support some sort of system for overcoming deadlocks. Apart from the case in respect of money Bills, it will be noted that

this Bill does not reduce the Council's authority at all. On the enactment of this Bill, it will still be able to accept, defeat, or amend legislation as it does now, but it will not be able, by the exercise of its authority, to paralyse Government or to make it ineffectual, and that is the potential of the present system.

Under the provisions of the Bill deadlocks will be resolved by direct decision of the people. That decision is made possible by one of two means: Either by referendum on the particular issue or by a more general approach to the public by way of a general election. What possible objection can there be to that either in terms of democratic principle or simply as a practical means to overcome a practical problem?

The truth is there can be no reasonable objection and that no doubt explains why so many of Mr Masters' protestations were unreasonable. Mr Masters started at an extreme tangent with allegations that the real business of the Government is to abolish the Council. He challenged me to deny that that was the intention of the Government and, when I accepted the invitation and denied it, he carried on as though I had not.

Hon. G. E. Masters: Perhaps I did not believe you.

Hon. J. M. BERINSON: He said, as he has said on other similar reform measures that the Opposition has blocked, that some sort of need for change is acknowledged but there are better ways. Well, what are those better ways?

Surely it is the function of a responsible Opposition to set out those alternatives. That, however, is not the approach of this Opposition. It is certainly not the approach that Mr Masters brings to this debate, or to any other. His alternatives, if indeed they exist at all, are not for public exposure. At best, he hints quietly and confidentially that, if we can get together in some quiet, friendly way behind the scenes he will have something to tell us.

Now what I invite Mr Masters to do is to tell us here. This is the Parliament of the State; this is the forum for the expression of views; this is the place where the Government has brought its proposals for exposure and public consideration; this is the place where, as a general rule, Oppositions bring their alternatives, but not this Opposition and not Mr Masters.

Mr Masters says he has not had enough time. He always says he has not had enough time. I suggest to Mr Masters that the principle we are tackling here is not so difficult as to have prevented him from developing some sort of alternative view that he could have enunciated here. This is not a new principle, neither was our approach to the reform of the electoral system new. There is nothing novel about what we have presented. On the whole, it is completely in line with what the Labor Party has been saying for most of its nine years in previous Opposition and it is precisely in line with what we outlined at the election almost a year ago.

All this session, whenever this plaintive plea of inadequate time has been put and assurances have been given that there is indeed an alternative if only time and secret manoeuvres can be provided to allow their discussion, only one member of the Opposition has actually come out and said something substantial, and that is the Hon. Graham MacKinnon.

That is remarkable, is it not, because the Hon. Graham MacKinnon has not found himself short of time to come up with at least some sort of proposal. He has not found it necessary to simply waffle on about the need for more time and later consultation. At least the Hon. Graham MacKinnon on two occasions has been able to present us with an inkling of what he has in mind. It goes without saying that I do not adopt the suggestions he has offered, but at least he offers suggestions and he has had no more time than the Hon. Gordon Masters, the Hon. Neil Oliver, or any other of the members opposite, who are forever pleading the shortage of time. It is not a shortage of time; it is a shortage of will. It is a shortage of willingness to enter seriously into a reform of this State's parliamentary and electoral systems. That is where the shortage is; not in the time, but in the will.

It is no good hiding behind all these excuses. We have come down with eminently reasonable proposals based on experience elsewhere and, in this case, based on a recognition which is universal and that is that where one has two Houses of Parliament capable of being constituted differently, one must have some system to overcome deadlocks if one is not to put one's Government into a state of paralysis or ineffectiveness.

The Government of this State is not prepared to have itself put into that position; that is the reason for this Bill. I call on the House to support the Bill in the interests of proper Government and democracy in this State.

Government members: Hear hear!

Question put and a division taken with the following result—

Ayes 12

Hon. J. M. Berinson	Hon. Kay Hallahan
Hon. J. M. Brown	Hon. Garry Kelly
Hon. D. K. Dans	Hon. Mark Nevill
Hon. Peter Dowding	Hon. S. M. Piantadosi
Hon. Graham Edwards	Hon. Tom Stephens
Hon. Lyla Elliott	Hon. Fred McKenzie *(Teller)*

Noes 18

Hon. W. G. Atkinson	Hon. N. F. Moore
Hon. C. J. Bell	Hon. Neil Oliver
Hon. V. J. Ferry	Hon. P. G. Pendal
Hon. Tom Knight	Hon. I. G. Pratt
Hon. A. A. Lewis	Hon. W. N. Stretch
Hon. P. H. Lockyer	Hon. P. H. Wells
Hon. G. C. MacKinnon	Hon. John Williams
Hon. G. E. Masters	Hon. D. J. Wordsworth
Hon. Tom McNeil	Hon. Margaret McAleer *(Teller)*

Pair

Aye	No
Hon. Robert Hetherington	Hon. I. G. Medcalf

Question thus negatived.

Bill defeated.

ELECTORAL AMENDMENT BILL (No. 3)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. J. M. Berinson (Attorney General), read a first time.

Second Reading

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [8.46 p.m.]: I move—

That the Bill be now read a second time.

The Government believes that each person in the community should be regarded as equally important and, accordingly, opposes racial discrimination. At present the Electoral Act of Western Australia imposes a duty on citizens to enrol and to vote at elections.

Aboriginal people have the right to enrol, but are exempt from any penalty if they choose not to. Other provisions of the Electoral Act make special reference to Aborigines; for example, it is a special offence to influence Aboriginal people by offering rewards or making threats to influence their decision to enrol or not to enrol.

The Government believes that all citizens should stand before the electoral laws equally. This is because electoral laws are so central to a citizen's influence on all other laws. It is an essential principle of democracy. There should be no special penalties, exemptions or privileges relating to any class or group within society.

Until recently the Commonwealth electoral law included specific references to Aborigines and these were similar to those in the Western Australian Electoral Act. The Commonwealth Joint Select Committee on Electoral Reform recommended that these references be repealed and this is being done. The opportunity has, therefore, been created for the State to take parallel action.

Aboriginal people requested the Government to legislate for their compulsory enrolment and voting and the Government supports this measure. Both the National Aboriginal Conference and the Aboriginal affairs consultative committee fully support the reform.

Provision is made in this Bill to remove all specific references to Aboriginal people. When this is accomplished our electoral laws relating to enrolment and voting, will apply equally to all citizens, regardless of race.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. P. G. Pendal.

TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. D. K. Dans (Leader of the House), read a first time.

Second Reading

HON. D. K. DANS (South Metropolitan—Leader of the House) [8.50 p.m.]: I move—

That the Bill be now read a second time.

This Bill seeks to rectify what are perceived as serious deficiencies in the Trade Descriptions and False Advertisements Act. It is the forerunner to a major review of the legislation in this State governing fair trading and trading standards. Work is well advanced on this project which is anticipated to be introduced to this Parliament early next year.

The contents of this Bill cannot await the introduction of that legislation, which will update existing law and form the basis of uniform State legislation intended to mirror the consumer protection provisions of the Commonwealth Trade Practices Act.

The Trade Descriptions and False Advertisements Act prohibits false or misleading statements concerning the sale of goods, the provision of services, or the sale of interests in land.

When it comes to the question of employment advertising, bait advertising, advertising concern-

ing business activities and, in particular, the profitability or risk of such business opportunities, it is silent. No State law protects the public from false, misleading or deceptive statements of this kind.

There is no law which prohibits an individual, as distinct from a body corporate, from engaging in such conduct. Only at the Commonwealth level under the Trade Practices Act is this type of advertising prohibited and then only if the advertiser is a corporation.

In Western Australia, false and misleading statements concerning unemployment have been rife, yet the State has been powerless to take steps to control them by prosecution.

The most recent report of the Commissioner for Consumer Affairs tabled in this House recently, exposes the wilful and despicable tactics of some persons who prey on the unemployed. Therefore the Bill proposes, in line with section 53B of the Trade Practices Act, a prohibition on false or misleading statements relating to employment.

The definition of the word "employment" is sufficiently wide to include not only the conventional employer-employee relationship but also engagements on a commission or selling contract basis, or as an independent contractor, or distributor.

The Government will not tolerate the young unemployed sector of the community being preyed upon by the activities of such persons. This Bill will be a means to put a stop to such exploitation.

In these difficult economic times the prospects of being self-employed, or the purchase of a business activity, has been considered by many people. Many are lured by the expectations of profits to be made from purchasing a business franchise or business activity.

The Department of Consumer Affairs has in the past received numerous complaints about the activities of some persons who have advertised the sale of courier franchises with indications of substantial profits to be made from such a purchase. This Bill therefore contains a provision to prohibit publishing false or misleading statements with respect to the profitability or risk or other material aspects of business activities which may be carried on at, or from, a person's place of residence and prohibits persons inviting participation in business activities which require investment of moneys, from making false representations as to the profitability or risk or other material aspects of the business activity.

Provisions contained in this Bill are consistent with section 59 of the Commonwealth Trade Practices Act, which applies such prohibitions or invitations only to corporations.

The Bill also contains a provision consistent with section 56 of the Trade Practices Act and section 29A of the New South Wales Consumer Protection Act, which prohibit bait advertising. The Commonwealth provision is limited to the conduct of corporations. The Trade Descriptions and False Advertisements Act does not specifically encompass bait advertising, a pracitice adversely commented on by the Commissioner for Consumer Affairs on many occasions. Bait advertising, simply explained, is the practice of advertising goods at special prices without the intention to offer goods for sale at this price for a reasonable period of time having regard to the market, and in quantities which are reasonable.

Furthermore, the Bill encompasses provisions which update the provisions of the Trade Descriptions and False Advertisements Act in the prosecution of the media, and also updates the defences to prosecution. Such defences are consistent with the Trade Practices Act and are in the same form. This is essential if the primary offences are to be the same. It is only proper that a defence to the Commonwealth offence should also be a defence under State law. These provisions are consistent with section 85 of the Trade Practices Act.

The Bill provides substantial penalties for contravention. A maximum penalty of $5 000 is imposed and this is consistent with the current penalty of $5 000 under section 8 of the Trade Descriptions and False Advertisements Act. This will extend to directors of companies unless they are able to establish a lack of involvement in the commission of the offence or if they had acted with due diligence to prevent the offence.

Other evidentiary and ancillary provisions are inserted in this Bill.

The contents of this Bill are mirroring the existing law of the Trade Practices Act, as it applies to corporations. It is, therefore, not new law which is being enacted with which businesses must comply. It merely extends the ambit to the individual or partnership not caught by the Trade Practices Act and provides the same sanctions and obligations on the individual. It is absurd that there be one law for the corporation and another, or none, for the individual or partnership, and this anomaly is overcome by this Bill.

I commend the Bill to the House.

HON. P. H. WELLS (North Metropolitan) [8.55 p.m.]: The Opposition does not object to this Bill. I have had personal experience of couriers being misled by the advertising referred to in

the Minister's speech, and have made representations about that misleading advertising. The Opposition is not prepared to support people who use that method of advertising.

Although the report of the Comissioner for Consumer Affairs draws attention to the misleading advertising occurring only in a minority of cases, the only way we can stop this misleading advertising is to pass appropriate legislation. The people who want to mislead young people should be stopped. It is not just young people who are misled, it is also older people, as was the case of the courier with whom I had experience.

We support the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by the Hon. D. K. Dans (Leader of the House), and passed.

WESTERN AUSTRALIAN DEVELOPMENT CORPORATION BILL

Second Reading

Debate resumed from 1 December.

HON. A. A. LEWIS (Lower Central) [8.59 p.m.]: No-one in his right mind would think that Governments should not help businesss, although that course has not been followed by this Government since it has been in office. It has done everything it can to confound business in this State, whether it be big or small.

Tonight I will deal with the second reading speech, the provisions of the Bill, and legal opinions relating to the Bill. Firstly, I doubt whether it is legally sound; secondly, I doubt whether it is sound in a business sense; and, thirdly, I believe it will be the death knell to business in this State.

I will commence by dealing with the Attorney General's second reading speech and giving the Opposition's views on various comments in that speech. The Attorney said—

> It also means reducing the dependency of Western Australian business on overseas capital and providing greater access to risk sharing equity capital to underpin growth by reducing the drain of profits to service borrowings.

There are provisions in the Bill under clause 12 (2)(a) to borrow money from overseas. On page 2 of *The West Australian* of 6 December, Mr Grill is reported to have said—

> There was more than adequate overseas finance ready to go into the projects . . .

Why do we need a corporation? Again in the second reading speech the Attorney said—

> What is lacking is any mechanism through which a business can obtain access to a package of equity capital, borrowed funds and advisory support from a single source . . .

If we refer to the Campbell report, as the Attorney General did when he made his second reading speech, we find section 29.23 states—

> The Committee therefore does not see a role in this area for a government-owned organisation, even for 'temporary' purposes.

Section 29.24 of the report states—

> The question of the specific need for a government-owned institution specialising in small business and venture financing is examined in Chapter 38. The conclusion reached there is that commercially viable projects which meet appropriate financial criteria should generally be able to obtain equity finance in a less regulated environment. It is concluded that if the Government nevertheless wished to assist in this area, it would not be cost-effective to do so through a government-owned venture finance institution operating predominantly on commercial lines.

I refer again to the Minister's second reading speech. Once again in its usual way this Government criticised the suggestion of past Governments to enlarge the R & I Bank to enable it to deal with equity capital. The Minister stated that the Commissioner of the R & I Bank will be on the board of directors of this body and that the R & I Bank will be asked to put equity into the body. What is that nonsense all about? Further on in the Minister's second reading speech he stated—

> Members will note that the functions and powers proposed in the Western Australian Development Corporation Bill are very similar to the provisions of the AIDC legislation established by our conservative Commonwealth counterparts over 13 years ago.

On that subject I refer to paragraph 29.25 of the Campbell report which states—

> Even if a need for such an institution were established, the Committee does not consider that AIDC would be an appropriate organisation for providing risk capital to small

> business. It accepts the view of the AIDC itself that it is not structured to cater to the financial requirements of small business.

The Attorney referred to the establishment of the Economic Development Corporation by the Hamer Government. He stated that this legislation is similar to the Victorian legislation. Again, that is absolute rot.

The Victorian Economic Development Coporation is a statutory authority to facilitate and encourage balance in industrial development. It can promote tourist facilities, export of goods and services, etc. It can participate in research trade fairs, and it can arrange finance—not overseas. It does not invest in private enterprise; that is, it does not own hotels or diamond mines. The Tasmanian Development Authority is along similar lines to the Victorian Economic Development Corporation.

Members will note that already the Government has drawn a long bow in trying to sell this story untruthfully to the people. It is also trying to put it alongside other legislation that it should not stand beside, and I would like to know from where the Minister received his information that this legislation is equivalent to the Tasmanian and Victorian legislation.

I would also like to ask the Attorney General why the proposed corporation is like the AIDC, because it is not. The Attorney in his second reading speech said—

> Prior to the last State election the proposed corporation was promoted in the form of a development bank following a review of the policy proposals with respect to the emerging trend towards deregulation and the recommendations of the final report of the inquiry into the Australian financial system.

That is the Campbell report. What the Government has not said to the people is that if this legislation is accepted housing interest rates will rise. I understand Mr Hawke has put the kybosh on any more banks in the banking system and it is interesting that the Martin committee—another committee set up to look at the committee's work—has not reported. It was due to do so in November and I believe we should at least wait for that report to be brought down.

We heard the Attorney General so eloquently say to the Hon. Gordon Masters that the Opposition had plenty of time to go into this legislation. This Bill was introduced into this House last Thursday and was introduced into the other place on 22 November. There does happen to be a great deal of meat in the Bill and it is totally different from what the Labor Party promulgated in its policies. It did not have any discussion, as was suggested in the 1980 policy to which the Premier and other Cabinet Ministers refer. The Labor Party has known about it for three years because it was in the 1980 policy.

It is wrong that this Bill is totally different from that policy. Business may be prepared to accept from the Labor Party a development bank; however, business has said that it wants the Government to defer this Bill. It has written to the Premier—I will quote from letters later—but this Government with its great commitment to consensus has turned its back on business. The Government wants to run business and it wants to take it over. It is a socialistic aim, and we know what the socialists are. Now the business people of the community are realising that Mr Burke is not their friend and that certain taxes have been put on them. We will deal with another Bill concerning taxes at a later stage of this sitting or tomorrow, and the people will know what the socialistic grab means.

I refer again to the Attorney's second reading speech where he said—

> Nevertheless, the Government—

This is without the Martin committee. He continued—

> —has independently evaluated the findings of the Campbell committee and decided to recognise all the major recommendations in respect of government owned financial institutions in formulating the Western Australian Development Corporation Bill.

Again, a tissue of lies. The Campbell report did not recommend the type of system set up under this legislation. Paragraph 29.26 states—

> The Committee does not believe that in the competitive environment envisaged by it, there will be a gap in the supply—on commercial terms—of financial services and facilities of the type now provided by AIDC—and sees no need for government involvement in this area of the market.

I do not know how long the Labor Party can continue to produce second reading speeches that are a tissue of lies. The Attorney General says that he goes along with the Campbell report, but then he brings forward a Bill which is in direct contradiction of the Campbell report. The Attorney General should be ashamed of himself. I do not mind if the Attorney General includes what he believes are his aims and ideals in the second reading speech, but to mislead this House in the way that he did is not worthy of him because he is not the sort of man who would willingly do it. I know that

some other Minister wrote the speech, because it is exactly the same as the speech that was made in the other place. I look askance at the Attorney General of all people—a senior law officer of this State—for coming into this House and stating something in a second reading speech which is patently not true.

Hon. J. M. Berinson: I may be able to correct you a little later, Mr Lewis.

Hon. A. A. LEWIS: I do not think that the Attorney General will correct me because his remarks are in the second reading speech. If the Attorney General cares I can continue to raise portions of his speech. I refer to paragraph 29.32 of the Campbell report which states—

> Having regard both for efficiency and other considerations, the Committee *recommends* that **AIDC should be disposed of to private sector interests.**

Hon. J. M. Berinson: There is an alternative because the committee recognises that that may not happen, in which case it gave a second recommendation. Are you sure that you are not quoting selectively?

Hon. A. A. LEWIS: The Attorney General should have given me longer time to research the Bill, instead of four days. I am being generous when I say four days. If the Attorney wishes to give me more time I will seek leave to continue my remarks at a later stage. I do not believe the Attorney General could handle a Bill of this complexity in the time given to the Opposition in this House. I suggest the Minister should not have said in his second reading speech, "Nevertheless the Government has independently evaluated the findings of the Campbell committee and decided to recognise all the major recommendations in respect of Government owned financial institutions in formulating the Western Australian Development Corporation Bill". Would the Minister tell me that the recommendation contained in paragraph 29.32 is not one of the major recommendations in the Campbell report?

Hon. J. M. Berinson: I suggest there is another recommendation you have not read.

Hon. A. A. LEWIS: Is it one of the major recommendations or is it not?

Hon. J. M. Berinson: There is another you are ignoring.

Hon. A. A. LEWIS: Is it one of the major recommendations? The Attorney has said, "All the major recommendations". Has or has not the Government accepted all the major recommendations? The Government has not and the Attorney knows it.

Hon. J. M. Berinson: Where there are alternative recommendations we have taken one of the alternatives.

Hon. A. A. LEWIS: The English language is quite clear and the Minister has said that he has taken all the major recommendations. That is a major recommendation and it was recognised as such when the report came out. If one refers to the history of the report—

The DEPUTY PRESIDENT: (Hon. D. J. Wordsworth): The member should be addressing the Chair and not the Attorney.

Hon. A. A. LEWIS: If the Minister wants to make a second reading speech, that speech should not state that all the recommendations have been accepted by the Government. They have not been, and the Attorney General knows that perfectly well. He is trying to get his leader off the hook. The quote to which I referred came from page 490 of the report.

Mention is made that the advantages arising from Government ownership will be neutralised. That is rubbish and if one looks at clause 17 that can be verified. For example, in addition to equivalent tax provisions to its private sector counterparts, the corporation will be charged a fee for advantages arising from the Government's backing. That fee will be determined by the Treasurer. It cannot be understood to refer to the chairman of directors of some outside body when talking about real business, because this is meant to be a commercially-prudent organisation. Where else will someone other than the Treasurer, who is running the whole business, be allowed to set the fees? We talk about its being commercial! There is no guarantee that it will make any money to pay the fees.

The Attorney said that the commercial operation will not be subject to political interference. However, this is difficult to believe when the Treasurer is recommending areas for the corporation to look at and the corporation will be required to report to the Treasurer. I am assuming the Bill refers to the Treasurer. If I am wrong the Attorney can tell me.

Hon. J. M. Berinson: It will be a Minister designated to that responsibility.

Hon. A. A. LEWIS: That is even worse, knowing the way some of the Labor Party Ministers perform. I would rather the Premier handled it as Treasurer. The Treasurer has the final decision. I will refer to the directors and the developers at a later stage.

I wonder where the Minister thinks he will find a director or directors. We talk blithely about this corporation being commercial. I understand there

will be six directors three of whom will be—the managing director; the Under Secretary of the Treasury, already suggested by the Premier; and the Chairman of Commissioners of the R & I Bank, already suggested by the Treasurer in another place. I wonder which of those will go to the Premier or the Treasurer or any Minister after they have been directed to look at the commercial viability of a business. Will the Under Treasurer say, "To hell with you, Mr Treasurer, you are wrong"? Will the Comissioner of the R & I Bank say, "To blazes with you, Mr Premier, you are wrong"? Will the managing director of the corporation give the Premier a well-known sign?

Of course there are possibilities. It is suggested in the Bill that the SGIO may contribute to this development corporation. Will the manager of the SGIO be put on? At least the Government would know it had three people from a total of six directors upon whom it could rely to do the Government's bidding. The Attorney General may say there is provision for another six directors to be appointed. There may be, but would not that make it a lovely board? I will bet my bottom dollar that if there are 12 directors, six of them will be responsible to the Government.

A minor matter in relation to this Bill is the authorised capital of $30 million. The Australian bank capital is only $50 million. The Government is immediately setting itself up into this sort of league.

I quote further from the second reading speech which stated, "This will give the people of Western Australia immediate equity in the corporation". Where is the people's equity? This Government has equity; the equity is held by the Treasurer. I think the Government is pulling another con trick.

Hon. J. M. Berinson: Whose money do you believe the Treasurer is handling—his own?

Hon. A. A. LEWIS: The way he is handling the money it is a good thing it is not his own or he would have a larger overdraft than the $70 000 he now has. The Attorney has been a member of the Labor Party through the period of the Khemlani affair, and also the Curtin House incident. He would be aware of how the Labor Party handles money and that the people of this State would not allow the Government to borrow overseas with no restrictions—unless, of course, Mr Hawke puts his thumb down, which he will do in no time flat. Would any person out there in the great wide world trust a Labor Party for one, two or three years? We are talking of millions of dollars which a Government of my colour will need to recoup if we allow the present Government to go through with this insane act because it will never recoup it or make any profit from it. The Attorney knows that.

I refer now to the equity of the people and the initial shareholders. The R & I Bank and the SGIO will be initial shareholders in the development corporation. I query whether that will be of their own free will. The people running these businesses are reasonably intelligent people. I ask the Attorney whether they are acting under instructions to put their money into this corporation. I believe they are being told to do so by the Government. It is easy to come back with a smart lawyer's answer and say, "No, we are not instructing them". However, the way this Government has blackmailed other people, there is no way it would not be able to hold a thumb right over the R & I Bank and the SGIO, especially after what happened to the SGIO recently.

It is suggested the provisions will greatly enhance the opportunities for Western Australians to invest in the corporation. The $100 units are unmarketable on the Stock Exchange. The Stock Exchange has not yet been approached regarding the details of the Bill and the floating of the shares. I understand the Premier has kept the Stock Exchange informed of what he is doing. It has been waiting to be approached about this matter.

The Stock Exchange approves of the idea in general terms and supports the Government of the day. However, many loose ends in the legislation need to be tidied up before the legislation is passed, rather than bringing it back later for amendment. The Stock Exchange would prefer to see it delayed so that further detailed discussion can take place. I ask the Attorney whether the Bill will be delayed. No answer.

We are given the minimum shareholding investment but not an approximation of the borrowings. I ask what the borrowings will be. What is an estimate of the borrowings? Will this corporation be run in a businesslike way, or will it mooch along like the Labor Party and be sent down the gurgler?

Hon. Garry Kelly: What about Bunbury Foods Ltd?

Hon. A. A. LEWIS: What about Bunbury Foods Ltd? Who arranged that deal?

Hon. Garry Kelly: I thought it was the Liberal Party.

Hon. A. A. LEWIS: Does the member? That is interesting. The State lost some money but also a man lost $6 million and that is the sort of idiot into whose hands this Bill will be given—a man who does not even understand that much. He is

the sort of person who comes in and caucuses the Ministers on how they should handle corporate finance. It is a disgrace—and the member is too!

I will deal with Mr Medcalf's notes on the rights of shareholders a little later. However, the following appeared in the second reading speech—

> As I have said on other occasions, this Government is pledged to increase the share of local firms which, in turn, means an increase in local profits and an increase in local jobs. A Western Australian Development Corporation will help to facilitate that.

Really! The five pearls of the south? How would the gentleman who owns the Lighthouse Inn at Bunbury feel? What will happen to the Geographe, or the Gloucester Lodge at Pemberton, if the Government sets up hotels in competition with them? How would the staffs of those businesses feel? However, the Government has pledged to build five hotels, or to put together a package with five hotels.

Hon. J. M. Berinson: That is the first I have heard of it.

Hon. A.A. LEWIS: If the Attorney had read the newspapers and listened to the news, he would know. I thought the Ministers made the news at Cabinet. Let me quote from what Mr Grill said, as follows—

> The West Australian Government is set to become a cash investor in a series of multi-million dollar projects to build five international-standard hotels.
>
> The hotels will be constructed in five towns in the State's south-west and become focal points of a major tourist development scheme.

The Attorney General has not heard of that?

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Would you give the reference?

Hon. A. A. LEWIS: This is from *The West Australian* of Tuesday, 6 December.

Hon. J. M. Berinson: Is not that the same article as the one that has Mr Grill indicating he was not saying that the WADC would take equity?

Hon. A. A. LEWIS: In *The Australian*?

Hon. J. M. Berinson: No. I am looking at *The West Australian.*

Hon. A. A. LEWIS: If I mentioned *The West Australian*, I apologise. I refer to *The Australian.* Of course, the Minister did make silly comments in *The West Australian.*

Hon. J. M. Berinson: Do you regard it as silly to the extent that he was not looking to the WADC to take equity?

Hon. A. A. LEWIS: It is a matter of dealing between the newspapers and what was in the news broadcasts last night. The Minister said that if a private investment package could not be put together, the Government was prepared to become directly involved. He said, "If we cannot get the package, we will weigh in with our own money". The Minister said that the hotels would be situated in Bunbury, Dunsborough, Busselton, Manjimup, and another place to be decided, south of Manjimup. Does the Government know what it is doing, and what its Ministers are announcing? Obviously the Attorney has never been informed about any of this.

It horrifies me to think that a man of the stature of the Attorney who, I imagine, went to the Cabinet meeting in Bunbury yesterday and who, I imagine, has a staff to inform him on these matters, does not know these announcements were made.

It is a little like the Minister for Mines shaking his head at me—if I may digress for a minute. The news last night said that there would be two coal-fired and one gas-fired power stations in a group in the south-west. When I asked a question about this today, the Minister for Mines looked stunned.

I remember another Minister in this place who was asked a question by the Leader of the Opposition, and who said, "Well, I hadn't heard that broadcast".

The DEPUTY PRESIDENT: You had better stick to the Bill.

Hon. A. A. LEWIS: I will deal later with the rights of shareholders. It is obvious that two of the minimum of six directors—the Chairman of Commissioners of the R & I Bank and the Under Treasurer—have no private entrepreneurial experience. If we include the manager of the SGIO, he has experience in one field; but I do not consider the insurance field to be all that entrepreneurial.

In the Minister's speech, he said that the proportion of profit to be paid to the State in lieu of income tax is to be determined by the Treasurer, and it will be kept to a minimum. That hardly makes it competitive. The Treasurer has the final say in all major decisions affecting the corporation. Who, other than the Government, does the Treasurer represent? How can the corporation have regard for its obligations in accordance with prudent commercial principles if it has appointed to the board the directors currently being con-

sidered? I lack the opportunity; but if I were asked to assess a commercial proposition, I do not think they would be the first three people to choose.

Now we are talking about our joint venturing with the South-East Asian marketing corporation. Is not that great? The Government has not talked to the apple growers or anybody else who may be marketing in that area. It is flying another of its kites. It is just playing around with somebody else's business that it does not understand. Young men with absolutely no business experience are being given the opportunity to play, at the expense of other people. It is a disgrace!

Let us consider the legal situation. There is a complete lack of shareholder control. It would seem to me, on what the Premier said in reply in the other place, that the Government does not want the little man—the $100 shareholder. Once he gets in, out the door fly his taxation concessions, do they not, Mr Attorney? I am answered by a stunned silence.

The Government is not interested in the small people. It just wants to put its hands on other people's money so it can run a business. I want an answer. Would Mrs Hallahan like to give it to me?

Hon. Kay Hallahan: You are just playing games.

Hon. A. A. LEWIS: Playing games! That is very interesting. Now we have had the second interjection from a member of the Labor Party, the Hon. Kay Hallahan. I am sure all her business people out there will be glad to know that the Government is thinking of going into business in competition with them, and taking one or other of the people in competition with them into partnership with the Government. They will be in competition with the people in small businesses who have put up their own money. That is typical of the Labor Party.

If shareholders are silly enough to put in their money, they will have no powers whatsoever. There is no reference to any annual general meeting. As a matter of fact, the Bill precludes an annual general meeting of shareholders. The shareholders, however big they may be, will have no right to appoint directors. Is this a fair indication of the way the Australian Labor Party works?

It gets worse, I am sorry. It is most unlikely that any private shareholder will subscribe to the capital of the company.

The Minister's powers accrue by his right to appoint the directors of the company; by his right to renew their appointments; and, under clause 14, by giving notice informing the corporation of the Government's policy in relation to the development of broad economic activity or business undertakings. In such cases, the corporation shall actively seek out opportunities to perform its functions in respect of notified economic activity, and it shall report to the Minister in due course as to the performance of those functions identified by the Minister. The only qualification is that in making its recommendation to the Minister, the corporation must take into account the requirement of clause 13 (1) which provides—

> The Corporation shall perform its functions and exercise its powers in accordance with prudent commercial principles . . . .

Having denied everything else to the board, we now start talking about prudent commercial principles. However, it becomes a matter of opinion as to what may be prudent commercial principles in that particular case. What is prudent to one person is not prudent to another; we have seen that in the way the Government acts.

This is a flexible situation, which means that the directors of the corporation will be, to a large extent, subject to the Minister. It would be difficult for the directors to offer resistance to the Minister's request, unless they were able to establish clearly that what was proposed was imprudent.

The directors must bear in mind that the Minister will have the final say as to whether they are reappointed. He has the power of appointing the directors, and nobody else has any power. If the Minister sends the directors to a project to report on it, as they are all appointed by the Minister, who will argue with him?

This place is becoming more like Hans Christian Andersen every day—fairytales, fairytales, fairytales. I feel sorry for the Attorney, because he is caught in a cleft stick. He knows I am right in what I am saying. He knows prudent business principles, and he has been hanged by a Bill that the Government will not adjourn and put into a proper form because of sheer pig-headedness.

The whole of the business community is asking for the Bill to be deferred—the banking community, the workers, and everybody else—yet the Government will not defer it. I can understand that with Budget Bills, and things like that, the Government wants to have them put through; but I cannot understand, if the Government is dinkum, why it cannot adjourn this Bill until early next year.

The Minister will also be involved in the appointment of the managing director. The

Governor will decide on any increase in the authorised capital of the corporation, upon the recommendation of the Treasurer, not upon the recommendation of the board of the corporation. The board of the corporation cannot even increase its own capital.

The Treasurer must approve of who may be a shareholder. Did you get that one, Mr Deputy President? I do not think the Government is dinkum. The Treasurer—not the board—has the right to approve of any premiums on share issues. Does it not sound more and more commercial all the time? To continue—

> Generally it would be extremely difficult for the directors of this corporation to act on prudent commercial principles under clause 13 in view of the degree of government control and interference.

I would have thought that any private director who accepted appointment to this board would do so at his own risk. A name has been bandied about as to who will be appointed to head this development corporation or development bank. A little dicky-bird tells me that person is not all that keen and that he will not be the bloke to be appointed this time, so the Government has certain problems there. I wonder if the Attorney could tell us who these people are in the community, these well known commercial people, who are to be appointed as directors of this $30 million company or corporation especially when they already have their own jobs. I understand one is the Under Treasurer and the other is a Commissioner of the Rural and Industries Bank of Western Australia. It is ludicrous. To continue—

> There are numerous defects in this Bill insofar as this is supposed to be the setting up of a genuine trading corporation. The powers of the corporation are substantially the same as any private trading corporation but there is necessarily a lack of independence by the Board and a degree of overbearing control by government.
>
> It must be borne in mind that this corporation will be almost totally capitalised by State contributions as follows—
>
> (a) Directly from the Consolidated Revenue Fund or other State funds.
>
> (b) By capital provided by State instrumentalities such as the R & I Bank and the S.G.I.O. and
>
> (c) By guarantees by the Treasurer of the corporation's debts and liabilities.

Those members who have read the Bill will have seen the mention of debts paid.

Where does a future Government stand, where does the State stand, when this corporation goes down the gurgler? After all, future Governments will have to pay from taxation for the whims of this Government, which has no track record and which has told us in a second reading speech certain things which have proved incorrect—a Government which has been told by business that it wants the legislation deferred for a while, a request the Government will not meet. To continue—

> There has been inadequate time in which to assess and evaluate the extent of State funding liabilities and the prospects of the corporation.

What is the approximation of borrowings? We will not go on until we get some of these answers. I hope the Attorney will be able to give us the details, unlike the situation we encountered with debate on the SGIO Bill. This Bill has to be right out in the open. There should be no secrecy provisions invoked on this one. Members of the House want to know how this organisation is to function, and we are not prepared to go any further until we are told.

What is its investment potential? As I am told in the big, wide commercial world outside, banks have money available for viable propositions today. People can get the money because all the trading banks have it. What is the need to set up this corporation now? Why cannot it be deferred until business has had a chance to look at it? There are very few propositions being put up today—except those that are fairly dicey—that cannot get money. Even Mr Grill agrees that there is plenty of money around. He has a proved commercial background, so I do not think he would be a bad bloke from whom to receive advice. His investment advice would probably be the one to follow. I do not know about the Treasurer.

What about this overseas borrowing power? What about the hedging amount? Have all these matters been taken into consideration? This House has to know. The public have to know. We are prepared to wait until we get the answers.

What is the corporation's profitability likely to be? If it is going to pay State fees and money in lieu of taxation, some profitability should be built into it somewhere. What amount will it be? Will it be 0.5 per cent, one per cent, five per cent, 10 per cent? What is the Government's estimate? What has the Treasury said the corporation is likely to make? We have not heard. Good reason exists for this Bill to be deferred until the first or second sitting day of next year to enable the public, members of Parliament, and members of the

commercial community in particular, to fully consider this proposal and to give consideration to the points raised.

All this work has been done by me in four days and a lot of that time has been taken up with electoral work. As members know, Tuesday is not the bonniest of days for studying legislation such as this, with various meetings to attend, so we do not get the time to research these matters fully. It is all right for members of the Government to be grinning about this, but they do not have to do this work. Perhaps one day I will be allowed to bring in an adviser to help me.

Hon. Lyla Elliott: You have a bad habit of doing this. No-one is grinning. It is a serious matter.

Hon. A. A. LEWIS: I congratulate the member for having eyes in the back of her head. She could not see the members behind her grinning.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): The member should address his remarks to the Chair.

Hon. A. A. LEWIS: Yes, but I did not realise that along with her great virtues, she had eyes in the back of her head as well.

Hon. Kay Hallahan: No-one is sitting behind her.

Hon. A. A. LEWIS: Government members do not like to be roasted.

Is there any reason for Government funds to be treated with less respect than private funds? Is the Government to issue a prospectus? Are the strict rules to apply to the fund raising such as private companies are subject to under national companies and security legislation? Surely it is equally appropriate for the same standards to apply to the Government. I do not believe we should contemplate the rejection of this Bill until all these points have been answered, preferably in the second reading stage. If the Attorney does not answer them in the second reading stage, we should adjourn debate on the Bill. Unfortunately for the Attorney, I will be one of the people making a decision on whether he has answered the points. I believe the Bill should be adjourned until next year so that we can have a thorough look at it.

It is interesting that the Perth Chamber of Commerce has written to the Premier and has commented about the composition of the board, its accountability and the outside shareholders. I quote as follows—

> Outside shareholders should be given access to actively participate in the Corporation. In doing so, the Chamber maintains that parcels of shares would be more readily sold on the market. The present situation provides little to no incentive for individuals to purchase shares.
>
> Individual shareholders at a minimum would like to exercise their voting rights. This oversight is an unfortunate exclusion.

Of course it is not an exclusion. This Government does not want private individuals or small capital investing in this corporation. The Government has made no provision for this in the Bill. The Government would lose all its taxation concessions if others were to come into this corporation. Why would this Government want the small shareholders in the business?

The Perth Chamber of Commerce goes on to talk about borrowing rights. I do not know whether I am allowed to refer even fleetingly to another Bill that is before this House, Mr Deputy President, but I will try you on. The letter continues—

> The Chamber fails to see why the W.A.D.C. should have unrestricted borrowing powers and to be Loan Council exempt. This is seen as potentially very disruptive to existing financial markets in Western Australia, and combined with the damaging effects of the high rate of F.I.D. this will only result in another significant example of the Government growing at the expense of the business sector which it purports to support.

Members have heard me talk about what this Government is doing to business, and I do not think business needs to know more about this Government, because the business sector has woken up at last. This Government can try to go ahead with this legislation and its challenging and its huffing and puffing about elections, because the quicker the elections come, the quicker the small business community that threw out the last Government will throw out this one. If the elections come in March or April next year, this State will have had to put up with this Government for a little over a year and we will be able to get back into office just that much quicker.

Let us take a quick look at the Bill. It says that economic activity means any activity carried on with a view to making a profit or producing revenue. That sounds screwy to me, because producing revenue and making profits are two different things. I am sure members of the farming community will be pleased to know that the Bill says that without limiting the generality of the foregoing, it includes any primary industry or mining activity, including an activity relating to pet-

roleum or gas. That may be where the Minister for Mines will get the gas line to Collie. Perhaps the Government will be able to grow pines with that. The Bill goes on to include processing and manufacturing, technological development and tourism. Of course we have heard about the five pearls in the south-west, those five multinational, magnificient hotels the Government is to build. I would like the Attorney to ask his colleague, the Minister for Mines, if he has heard about them.

He heard about those hotels to be set up in competition with private enterprise in the south-west. The Government so beautifully launched this prospect yesterday in Bunbury. It is interesting to note that there is confusion in the Government ranks as to whether we will have one pearl or two pearls; perhaps all we will get is squid.

In its economic activity the corporation can go to trade and commerce, including financial marketing, transport, and other services. So we are starting on the hire-purchase business. Certainly we cannot start on the short-term money market. The FID Bill will ruin that and there will not be anything in the short-term money market for anybody. We are also going into the banking business, the debt paper section dealing with subscribed stock, bonds, debentures, and debentures with coupons. Does that not sound like the Labor Party and its rationale? It will deal in debentures and other securities or instruments of a company. The Bill refers to the corporation as an agent of the Crown which enjoys the status, amenities, and privileges of the Crown except as otherwise provided by this Bill or regulations made under clause 29. What other business can the Government enter into?

Clause 11(a)(i) states—

> Providing, or assisting with the provision of, financial resources or other services to business undertakings;

The corporation will be able to get all its hire-purchases from the Government. I take a fair bet that this Government can lose money even on a hire-purchase transaction.

Glorious clause 12(2) reads in part—

> ... the Corporation referred to in that subsection include power—
>
> (a) to borrow moneys, whether within or outside Australia, and to create and issue debt paper;

Would not the thought of the Labor Party borrowing money outside Australia bring to mind the name Khemlani? Would not that name be on everybody's lips? Would not it frighten the pants off every businessman in this State to hear that the ALP Government is borrowing money outside the country? The next one is quite humorous—

> (b) to accept money in deposit;

The only investments that will be put into this mob will be the ones that the Government instructs to come out of the SGIO, the R & I Bank and the Consolidated Revenue Fund, because no sane businessman would put his money into it. It continues—

> (c) to lend moneys;

All right; the Government has certain moneys to lend. It continues—

> (d) to maintain an account or accounts—

Listen to this—

> with any bank, whether within Australia or elsewhere;

Does that not sound great?

Hon. J. M. Berinson: What is threatening about that?

Hon. A. A. LEWIS: Taking note of the Whitlam Government's actions, anything the ALP Government does outside our shores is threatening to the average businessman in Australia.

Hon. J. M. Berinson: How about that?

Hon. A. A. LEWIS: It frightens the living daylights out of businessmen.

Hon. J. M. Berinson: Would not the overseas trading organisation require overseas bank accounts?

Hon. A. A. LEWIS: It is obvious the Minister has not read the Bill because that is not the corporation's account; that is the South-East Asian marketing organisation's account. The Minister comes to this place without knowing the Bill.

Hon. J. M. Berinson: That is about the fourth time that you have been incorrect, Mr Lewis.

Hon. A. A. LEWIS: It is not. Can the Minister tell me that this corporation will trade as the South-East Asian marketing corporation? Can he tell me that?

Hon. J. M. Berinson: I think my second reading speech referred to the connection between them.

Hon. A. A. LEWIS: No, it talked about putting money into them; it did not talk about them. Does the Government intend to have the Western Australian development corporation trade in its own name and not in that of the South-East Asian marketing corporation? I want to have this out, Mr Attorney, because that is even more hor-

rifying than the initial statement made by the Government.

Hon. J. M. Berinson: Why?

Hon. A. A. LEWIS: Because the Attorney is telling me there will not be a South-East Asian marketing organisation, and that the WA development corporation will do the business.

Hon. J. M. Berinson: I am not saying that at all. I am saying there can rightly be an association between them; indeed, that is contemplated by my second reading speech.

Hon. A. A. LEWIS: I see. The Government will have two bank accounts running side by side overseas. Is that a commercially proven practice?

Hon. J. M. Berinson: I refer you to page 19 of my second reading speech.

Hon. A. A. LEWIS: I do not mind looking at page 19. I will look at it.

Hon. J. M. Berinson: Instead of suggesting I have not read the Bill, perhaps I could suggest that the Hon. Mr Lewis has not read my second reading speech.

Hon. A. A. LEWIS: I have read through it and found no comment about this. I will go back to page 19. The Attorney should not get snippy.

Hon. J. M. Berinson: You know I would not get snippy.

Hon. A. A. LEWIS: It is not good for the Attorney's heart.

Hon. J. M. Berinson: It is not in my nature to get snippy.

Hon. A. A. LEWIS: Page 19 of the Minister's second reading speech reads as follows—

> It is also envisaged that the WA development corporation will perform an integral role in the planned joint venture with the private sector in the establishment and operation of the South-East Asian marketing corporation.

Mr Attorney, why would the WA development corporation need a bank account there? If it is a joint venture with private enterprise it would be called by another corporation name and joint moneys would be held in that bank account in South-East Asia. The situation gets more and more curious, and the answers get sillier and sillier; yet the Attorney wonders why we want to defer this Bill.

Paragraph (e) reads—

> to issue, draw, make, accept, endorse and discount bills of exchange and promissory notes;

Good stuff! It goes on with the usual sorts of things. Paragraph (k) mentions underwriting issues of shares. Of course, the Government has not talked to the Stock Exchange. The Stock Exchange informed me that it has not been consulted. If the Government says it has been consulted it must have occurred since 4.30 this afternoon.

Paragraph (o) reads—

> to do anything incidental to any of its powers.

Would the Attorney tell me whether that clause can be found in any other Act dealing with money and finance? In respect of clause 13(1) I want the Attorney to explain the words "shall ensure as far as possible". Is "as far as possible" a legally binding term? In respect of clause 13(2) I want to know the estimated return or interest to the Treasury on money invested.

Hon. J. M. Berinson: How can you possibly know that before the corporation has functioned?

Hon. Neil Oliver: Don't support it if you don't know it.

Hon. A. A. LEWIS: I would think Garrick Agnew knew before he started the Australian Bank if anything would start in competition with it. Before he began the Australian Bank he would have quietly had a look at what he thought his return was likely to be for his capital investment, the cost of buildings he had to purchase, the staff he had to employ, and the risks he was going to lend money on. I would think he would have had a fairly close look at those sorts of things; indeed, I think it would be commercially prudent to do so. As we are talking about commercial prudency in this Bill, I would think the Government would be able to answer some questions.

Hon. J. M. Berinson: Even before we have a corporation to select the particular ventures; is that what you are saying?

Hon. D. K. Dans: Mr Lewis is very commercially prudent, Mr Attorney.

Hon. P. H. Lockyer: Hail, Shakespeare!

Hon. A. A. LEWIS: I think I am—

Hon. D. K. Dans: I know you are.

Hon. A. A. LEWIS: —despite some Government members' comments about Bunbury Foods Ltd. They have never come straight out and said anything; they have only made snide remarks about it.

Hon. D. K. Dans: I do not know anything about Bunbury Foods Ltd.

Hon. A. A. LEWIS: I kept myself alive in the commercial world for over 25 years.

Hon. D. K. Dans: I know you did.

Hon. A. A. LEWIS: I think I am commercially prudent. If the Leader of the House and his colleagues want to have snide digs they should come out in the open.

Hon. D. K. Dans: I said I did not know anything about Bunbury Foods Ltd. You mentioned that subject, not I.

Hon. A. A. LEWIS: All the Government members who interjected—

Hon. D. K. Dans: That is their business.

Hon. A. A. LEWIS: The Hon. Garry Kelly and the Hon. Mark Nevill—

Hon. S. M. Piantadosi: That is not all the members.

Hon. A. A. LEWIS: I said "All the members who interjected", Mr Piantadosi.

Hon. Kay Hallahan: One.

Hon. A. A. LEWIS: I said "All the members who interjected". Under clause 13(2) we still have to obtain estimates when the Treasurer sees a possible loss situation. What do we do and how do we do it? There are likely to be many loss situations.

I query the legal implications of clause 14(3). I want the Attorney to respond to my query.

Clause 17 reads—

> (1) The Corporation may, by arrangement made between the Board and the Minister concerned, and on such terms and conditions as may be mutually arranged with that Minister and with the Public Service Board, make use, either full time or part time, of—
>
> (a) the services of any officer or employee employed in the Public Service of the State or in a State instrumentality or otherwise in the service of the Crown in right of the State; or
>
> (b) any facilities of a Department of the Public Service of the State or of a State instrumentality.

Can the Attorney say what private enterprise organisations can use the facilities and the staff by doing a deal with the Minister? It might be very interesting commercially but I think it would give a commercial advantage to the corporation that no other company will have.

Clause 18 deals with the transfer of superannuation, and I hope the Attorney will put me right, but I guess that clause 19 will allow people coming from private enterprise to be reimbursed if they lose their superannuation. That is how I read the clause.

I have dealt with premiums on shares. It still seems to me that shareholders have no rights. I refer now to clause 21(8) and ask the Attorney why this requires the corporation to keep a register of the holders of its shares in such form as the Treasurer may approve, and enter in the register such details as the Treasurer may require. Does this come under the companies and securities legislation? Does the Treasurer get that sort of leniency? It seems a funny one to me, but I am sure the Attorney will have an answer.

Hon. J. M. Berinson: You don't think you come to this with a jaundiced eye?

Hon. A. A. LEWIS: Had the Attorney been listening when I started my speech he would have heard me say I would not vote against the Bill if I got satisfactory answers. I would like a deferment so all these matters can be gone into. The Government is denying a deferment, as I understand it. If that is the case, I am sure one of my colleagues will adjourn the debate and we can go on with it next year after a full look at the Bill.

I have not had time to do it justice, but if the Attorney wishes to do as business, bankers, and the community expect from the Government, and defer the Bill until the next session, we are only too prepared to accommodate him. If we have to get all the answers tonight, or in this debate, I am afraid I have to look at the Bill with a jaundiced view because I think the Government probably has something to hide if it is trying to rush it through with such undue haste. One must remember of course that this is totally different from that for which the ALP was given a mandate.

To return to clause 21 and the matter of the Treasurer and the share register, I would like to know how the clause is to operate. Clause 22(1) says the Treasurer may, on behalf of the Crown in right of the State, guarantee the payment of any moneys payable by, or the discharge of any indebtedness or liability of, the corporation. It seems to me that finally it all goes back on to the taxpayer. The Government gets an open cheque to waste taxpayers' money. Clause 22(2) states—

> The due payment of money payable by the Treasurer under a guarantee given by him under this section is hereby guaranteed by the State, and any such payment shall be made out of the Consolidated Revenue Fund, which is hereby appropriated accordingly.

How can the Government appropriate when it does not know how much it wants? That subclause reads in a peculiar fashion to me and I hope the Attorney will deal with the legalities of it. Is it saying that it is not necessary to bring in an appropriation Bill? The way I read the Bill

that is the case. I would like that answered as well.

Clause 22(4) refers to an annual fee. How will the Treasurer base this fee for payment to the credit of the Consolidated Revenue Fund? Nothing else in this Bill has been based on commercial practice.

Clause 26(2) relates to the annual report of the corporation. I have never been one who believed that financial statements should be produced "as soon as practicable". I believe some limitations should be placed on when the books are presented to the Parliament. I would say nine or 12 months would be a fair thing. The Houses of Parliament might be put off with virtually no powers to ensure they get the books if the words "as soon as practicable" are retained.

Hon. Neil Oliver: Stock exchanges require 90 days.

Hon. A. A. LEWIS: I refer now to the schedule and the term of appointment of a director. I wonder whether five years in the case of the Under Treasurer and the Commissioner of the R & I Bank is not a little long. I want to know the actual position of the deputy chairman because his role is not set out properly in the schedule. I believe the delegation given to all directors is far too great. I refer to clause 7(1) on page 22, which states—

> 7. (1) The Board may, by resolution, delegate to a director, to a committee of the Board or to an employee of the Corporation, either generally or otherwise as provided by the instrument of delegation, all or any of its powers, functions or duties under this Act; except this power of delegation.
>
> (2) A power, function or duty so delegated may be exercised or performed by the delegate in accordance with the instrument of delegation and, when so exercised, shall, for the purpose of this Act, be deemed to have been exercised or performed by the Board.
>
> (3) A delegation under this section is revocable at will and does not prevent the exercise of a power or the performance of a function or duty by the Board.

I wonder whether in a board of this type, which is not really in the commercial field, any director should have power delegated to him as great as that contained in this schedule. I will be interested to hear the Attorney's comment on that.

It is interesting that Westpac wrote to the Premier and that it agrees with me about the Campbell report. Westpac has made a submission to the Martin committee and I believe this Government would be wise to wait until the Martin committee report is presented. Westpac states—

> We see the allocation of Government time and revenue to the establishment of an institution whose functions could be undertaken by existing institutions, as a clear misdirection of resources.

It goes on—

> In its submission to the Trade Practices Commission on the Associated Australian Stock Exchanges proposals for Stock Exchange membership rules, a copy of which was forwarded last week to the State Attorney-General, Westpac indicated that the participation of Banks in stockbroking:
>
> "Could also facilitate access by small business, entrepreneurs, etc., to the stock markets as a source of Equity Capital. At present, geographic considerations may preclude access by businesses to the Stock Market as a source of capital. However local Bank Managers are in a sound position to assess a company's prospects and direct companies to a licensed broker".

Further on it states—

> The views contained in this letter are an attempt to take a constructive look at the proposed development corporation and in the interests of balance, a similar letter has been forwarded to the Premier.

It seems to me the Government is not interested in balance. I have indicated the ALP in its election policy said it would establish a Western Australian development bank, a joint venture between Western Australia and other private sector interests. It has not done that. It said the bank would promote Perth as a major financial capital of Australia through the development of Western Australian based finance markets. The Government has done everything in its power to chase money out of this State, certainly from 1 January.

In 1980 the ALP policy speech promised a development corporation and a conference to discuss the establishment of a Western Australian development corporation. No conference has taken place and there has been no opportunity for the business, financial, and industrial sectors to review and comment on the Bill before its presentation to the Parliament, despite the Burke Government's much stated commitment to consultation and consensus. Real doubt exists whether individual Western Australians will be able to invest in the corporation, and if they are allowed to do so, they will not have the protection

and entitlements available to shareholders in listed public companies.

Despite repeated public utterances that individual Western Australians will be able to directly participate the Premier has now said this will be a decision by the new board. It also has been indicated that if private investors participate directly, the Commonwealth taxation immunity now available will be jeopardised. It can be deduced from this and the Assembly debates that the Government may not be supporting direct individual investment but may be seeking individual participation through instrumentalities or bodies such as the R & I Bank and SGIO. Although the corporation will be required to pay a dividend to the State, no such dividend guarantee is extended to others.

The shareholders have no entitlement to comment upon the activities or the policy of the board or the corporation and the responsibilities and liabilities of the Government and the director are not consistent with Western Australian company law. The Premier has agreed that the Commonwealth can cut back the financial grasp of the State if we generate excess funds outside Loan Council approval. The Commonwealth may withdraw approval for bodies such as the proposed corporation to borrow funds directly without Loan Council approval. With this the Premier revealed that his public utterances on the benefits of our "independent" development corporation are not supported by facts, and he has misgivings regarding retaliation by the Federal Government.

That is obvious; so do not let us talk about approved commercial loans. What will the corporation do? Will it buy equity in a casino, or in the aluminium smelter? That is ALP policy. This is the sort of blackmail approach which was used with diamonds. Then there is the North-West Shelf project, and the establishment of primary industry marketing companies for agriculture, or for mineral products. We have heard the Attorney on South-East Asia. There is talk of securing direct ownership of energy resources, such as coal and natural gas. Does the signing of the Western Collieries contract tie in with this? Does it require any new venture or equity for the Government to participate in television or other media?

Hon. Peter Dowding: You should know the commercial position taken by the SEC will not be interfered with by me. Knowing the coal position, you should have more sense than to put forward such a silly idea.

Hon. A. A. LEWIS: I am glad the Minister for Mines has helped his colleague, the Attorney General, because that has cleared up a lot. Like blazes it has; like blazes it has cleared up anything! It has only added more confusion. I am sure the Attorney did not need the help. I am sure the Attorney could handle this Bill without the "Minister for increases" being here. I would be very surprised if a lot of areas under Mr Dowding's jurisdiction were not looked at under this Bill.

Hon. Peter Dowding: I have nothing to do with it.

Hon. A. A. LEWIS: Obviously the Minister has not read the Bill.

Hon. Peter Dowding: I can tell you those issues have nothing to do with it.

Hon. A. A. LEWIS: Mr Dowding is shouting off again and delaying the debate. The Attorney will thank him for that. I am sure the Attorney loves people interfering. He loves the help of the Minister for Mines. We will go back to page 3 of the Bill which deals with economic activity. This means any activity carried on with a view to making a profit or producing revenue, and without limiting the generality of the foregoing, includes any primary industry or mining activity, including an activity relating to petroleum or gas. It does not say "coal" in as many words, but it says "mining activity". It includes technological developments, trade and commerce, including financial marketing, transport and other services.

So for Mr Dowding to make that statement is to pre-empt what Cabinet might decide to invest in through the Treasurer. For Mr Dowding to come into this debate at such a late hour when the Attorney has been handling the Bill quite ably without him is sheer nonsense, and shows that Mr Dowding has not read the Bill and does not know the contents of it.

If I may return to where I was, does this require any new project or joint venture to give equity to the Government—I do not think Mr Dowding was here when I mentioned the alumimum smelter—to participate in TV, radio and other media? Do we have another Curtin House? Can you remember, Sir, the horror with which the people of Western Australia looked upon the building of Curtin House? The Government leased the building, which the ALP had built, to the Public Health Department to make the Government pay for the ALP's debts. In the Assembly the Premier was unable or unwilling adequately to defend or explain the legislation, and how it should be administered. Further, the business of financial innuendoes has awaited referral of the legislation pending discussion and clarification by the Government of the far-

reaching powers and functions of the proposed body.

The Premier has been directly approached on this matter. The Confederation of Western Australian Industry, the Perth Chamber of Commerce (Inc), and the Australian Bankers Association, have publicly called for a deferral pending clarification and some amendments.

There is a headline in *The West Australian* of 3 December titled "WADC seen as deferring". In *The Sunday Times* the headline was, "Spectre of creeping socialism".

The Confederation of Western Australian Industry put out a paper asking the Government to defer. I will ask the Government to defer, and I thank the Attorney for paying such attention. I am sure that he will answer the questions I have posed to him one by one, because that is the only way that this House will find out what will happen to the Bill. This is the only way the public will find out.

The Premier was unwilling or unable to explain—I believe unable because he did not understand the Bill. I know the Attorney is a far more able person on this sort of thing dealing with finance. I am sure he will give all the answers that I have requested. I implore him to defer the Bill so that the business community in this State can look at it.

This is not a new thing, asking for a Bill to be deferred so that the community can see what the Government has to hide. What is the Government hiding? Earlier this evening the Attorney did not know about the five pearls of the south, those hotels which will go into competition with people who are in the business already. After this Government has brought forth a moratorium on hotel licences, it then proposes to build hotels with Government money. As Mr Grill says, "If we cannot put the package together, we will build it ourselves. We will build more pubs to take more jobs away from small businessmen and women who have built these things over the years, and so "Big Brother" will go into the pub business.

Hon. J. M. Berinson: Mr Lewis, you selectively choose your newspaper quotes in the same way as you quoted selectively from the Campbell report. I referred you to a newspaper item which was directly contrary to what you are saying and you simply ignore it. Why do you do that?

Hon. A. A. LEWIS: Could I just explain? Last night, for a change, before I went to a function at half past seven, I listened to three news broadcasts. In each of those the Government announced hotels. In two of those newscasts it was said that the Government would go on loan if necessary. One quote in *The West Australian* this morning did not say that, but *The Australian* did. So I presume I am winning 3:1 with one draw. Any logical person would look at that and say *The West Australian* has gone wrong. One of the media people did not bring in that pub, and the other three are right. It may be human error, and I will be very pleased when the Attorney tells the House tonight what the Government's intention is in respect of hotels. I have placed questions about it on the Notice Paper, hoping that this Bill would not reach the stage it has until tomorrow so that I could get the answers to the questions.

It seems to me that investing in pubs is a cornerstone of what Government is trying to do in the south-west. Those members of the House who listened to the news broadcasts and read the papers will remember that there was mention also of two coal generators and one gas generator for producing electricity. Those were the main items in the newscasts last night.

These are no whims of mine. These are Press reports in the paper. We on the Opposition benches do not have the benefit of Press releases from the Attorney or from his ministerial colleagues, we can only read what is in the Press, and the Press has no doubts about what the Government is saying about Dunsborough, Pemberton, Manjimup, and these other places. If the Government could put the package together it would do so. It seems to me the Minister protesteth too much and that the Government in this Bill is protesting too much.

Why is the Government not prepared to allow this Bill to be dealt with by the Parliament in approximately two months' time? What is the urgency for dealing with it? The Attorney should not tell me that the Government cannot put packages together now, if this is a genuine Bill. The Attorney should not tell me that these things cannot be done under agreements when they have been done very successfully in the past. We do not need to have a WA development corporation to do that. Indeed, the State could operate for a number of years without a WA development corporation.

With the limited time available to discuss and research the Bill, I believe the Government is hiding something. It is not just hiding something from this House; it is hiding it from the public of Western Australia. The Government does not want the public to understand what is involved in participating in this corporation; it does not want the public to know that, if they invest in the corporation, they will have no say as to who the directors shall be; the Government does not want the public to know that it will control the board of the corporation by having its employees on it; and

the Government does not want the public to know that it can borrow overseas from Khemlani or whoever else it wants to borrow from.

Sure, the Government does not want the public to know that this corporation can have bank accounts overseas, according to the slip the Attorney made earlier. We know all that, and that is a quick assessment of the Bill.

What worries me is what we have not picked up and what the Government is hiding from us. There is no need for this Bill to be passed before Christmas and no such need was expressed in the second reading speech to indicate that it must be passed immediately.

Why is the Government so dead scared of a deferment so that the community can review this Bill? Unless the Attorney can answer those questions, I shall have to consider my position. I cannot give him an answer now. I do not want to vote against the Bill, but unless I am provided with all the answers to those questions, I may have to. I do not refer there to the sort of magnificent rhetoric in which the Attorney frequently indulges when answering anything. I mean a detailed, point by point answer. The Attorney has been let off the hook too often in this place by using his magnificent rhetoric and his acting ability to put it over the House. Tonight he will not be able to do that; we will have answers or we will not have a Bill.

If the Government uses its commonsense it will defer the Bill until the first couple of sitting days next year. We do not know what will happen. We do not know whether the Parliament will be prorogued. We are not told those sorts of things. We are not told whether the Parliament will be adjourned and, as mere members of the House, all we are told is what we read in the Press. The Attorney tells us the Press is wrong on some occasions, but I indicate to the Attorney I am not wrong when I tell him the public of Western Australia want this Bill deferred until the first sitting next year so they can evaluate it for themselves.

Therefore, I cannot give the Attorney any answers as to how I will vote on the Bill. It depends primarily on his performance in answering the questions.

With those few words, unfortunately with the very limited time available to research the Bill, I have to say my view will depend totally on the Attorney's and the Government's attitude to deferring this Bill.

HON. V. J. FERRY (South-West) [10.50 p.m.]: I would normally talk at length on this type of legislation, but I do not intend to do that tonight. The Hon. A. A. Lewis has covered it in detailed form, although, as he said also, there is a grey area associated with the legislation. I cannot be convinced at this stage that the development corporation is necessary to Western Australia.

I shall refer to the Australian Industry Development Corporation which was set up under Commonwealth Statute. That got off to an extremely shaky start some years ago. The legislation surrounding it has been tidied up and made more acceptable for Australia in a commercial sense, but the corporation still has its difficulties.

The AIDC has engaged in a number of financing ventures in Australia and, of course, it has financed some projects in Western Australia. More notably, it has been associated with the timber and alumina industries. Just for the record, I shall quote from the Australian Industrial Development Corporation annual report of 1983. Page four provides a detailed list of the types of industries with which it has been associated over the years it has been in operation. The following industries are mentioned: The timber industry in Western Australia; the tool industry; Interscan Australia Pty. Ltd., a new generation aircraft guided landing system; Australian Biomedical Corporation Ltd.; aluminium foundry for motor vehicle industry; newsprint industry, Tasmania; agricultural equipment; machinery; building materials; automotive products; food processing industries; coal loading facilities at Newcastle, New South Wales; materials bulk handling facilities for aluminium smelting industry; gas pipelines and power transmission; and an Australian diamond industry. I have no doubt there are others, but I just quote those.

Therefore, there is a capacity at Government authority or corporation level in Australia for a degree of financing. There is tremendous capacity today in the Australian structure of financial institutions for the financing of any sound project. I emphasise the words "any sound project".

It worries me that authorities backed by the Government have the capacity to get themselves into trouble by being over-generous, and who foots the bill? The Australian taxpayer, of course. It all comes back to the public purse and Governments of the day have a habit of saying, "We have to bail out this organisation. It has served the public well and we have to pay", and pay we do.

To emphasise what I am saying I shall quote from page six of *News Weekly* of 12 October 1983. An article appears under the heading "How bureaucrats 'milk' the sacred cow". It reads, in part, as follows—

> The recently released report for 1982-83 of the New South Wales Auditor-General, Jack O'Donnell, paints a discouraging picture of how many of the state's statutory authorities are technically bankrupt, and will have to be bailed out by special subsidies from taxpayers.
>
> The report illustrates the difficulty all governments have in effectively reining in their statutory authorities, which, in matters of day-to-day management, are independent from the government.

When talking about unfunded liabilities, it goes on to say—

> By not budgeting for these liabilities while they are accruing, as any private business would have to do, the authorities simply force the taxpayer to give them an increase in their funding.
>
> That is because when these liabilities eventuate, the government is compelled to come in and pay the accumulated bills.
>
> And this is normally an extra payment on top of the recurrent grants the authority gets to run its operation each year.
>
> Therefore, by irresponsible financial management, the authority is able to force government to allocate millions of dollars of extra revenue to it.

Further on it says—

> The Auditor-General had something to say about a number of other authorities.
>
> He thought, for example, that the state and federal governments might have to write off their loses for debts incurred by the Bathurst-Orange Development Corporation, which, by commercial standards, appeared to be bankrupt.

I quote now from *Business Review Weekly* of 24 to 30 September 1983 under the heading "Statutory bodies at point of no return" as follows—

> The financial mess of Commonwealth statutory authorities threatens to cripple the Budget. Already Bob Hawke has bailed out Qantas, TAA and the Australian National Line with injections of capital and, if there is not a major reappraisal of community attitudes to public sector businesses, more authorities will go on the Commonwealth dole.

It goes on to say—

> But the recent report of the Senate select committee on statutory authority financing demonstrates not only the enormity of government business operations but also because of the failure of successive governments to put them on a sound actuarial basis, the threat that remedial action poses to private business, large or small.
>
> The pricing policies of many authorities have been hamstrung by politicians and the marketplace. Yet accumulated negligence on the part of public administrators will increasingly mean either public handouts or action being taken on pricing.
>
> These authorities are akin to the beneficiaries of tariff support in the private sector. In both cases the support is bestowed on a select group with the bill being paid by the community at large, in the case of the tariffs through higher inflation, and with public authorities through Budget support.
>
> The Victorian Premier, John Cain, is one of the few Australian Political leaders to have confronted this issue by insisting that state authorities earn a four per cent real rate of return on their capital. The parlous situation of state electricity authorities (see table on page 22) is shown by how little capital spending is funded by their own earning, rather than by the taxpayer or through borrowings on the money market.
>
> Yet for Cain the political dilemma of trying to get the SECV to price its electricity soundly is evident in the row with Alcoa Australia over the Portland smelter. Alcoa was quoted an electricity price by the Hamer government that had little regard for sound pricing principles.
>
> Cain, in trying to correct this, is threatening the cost basis on which Alcoa was to proceed with the smelter. Cain, it seems, can have his accounting principles, or the smelter, but not both.
>
> In 1980-81 the nine major Commonwealth authorities had net fixed assets equal to 40 per cent of the net fixed assets of 685 of the largest companies in Australia. So much for the small government claim of politicians. Yet the trading revenue of these commonwealth bodies was a mere six per cent of the earnings of the 685 companies.

I could continue, but that surely illustrates the very shaky ground on which authorities or corporations, call them what one may, are founded and operated. It is undeniable that they are risky ventures and the public purse has to bail them out in many instances.

There has been no time to adequately delve into the full ramifications and the effects of the proposals in the legislation before the House. It worries me—this has been mentioned by the Hon. A. A. Lewis—that the proposed WA development corporation will have the power to borrow moneys whether within or without Australia and to create and issue debts on paper. That could be good news for Western Australia, but in the light of experience not only at Commonwealth level, but also at State level in Australia, it is a very dubious undertaking indeed.

We all know that this corporation is supposed to be a lending authority of last resort. We all know how shaky that sort of financing can be. If a project is soundly based there will be no great difficulty raising capital and finance generally to support a reasonable proposition in Australia today, especially in Western Australia where we have the resources to develop.

Therefore, this Bill is suspect, because we have not had the opportunity to go to the public at large and discuss it with them and get their feelings on the matter. We have received some expressions from the public, but certainly not enough, and the public are almost completely in the dark as to the long-range effect of the conditions contained in this proposal. Therefore, I see no reason to rush it through the Parliament.

It has been mentioned that Western Australia has been proceeding very well without this type of Statute on its books. The State has been developing its resourses and enterprises with the cooperation of private enterprise exceedingly successfully over recent years. We can point to the dramatic increase in development in the Pilbara, and, to a lesser extent, the development in recent years in the Kimberley. This development has been brought about not by a socialist Government, but by a private enterprise Government. Therefore, I see no reason to have this measure passed by this House.

HON. NEIL OLIVER (West) [11.00 p.m.]: This Bill could be regarded as the major item to come before this Parliament this session, and should be dealt with in great detail not only by the Legislative Assembly but also by this Council.

I will speak to the legislation and ask a number of questions. The Hon. A. A. Lewis dealt in detail with the Bill and the second reading speech; in most instances I will not bother to go through either in detail because what is said represents gobbledygook.

In many instances the Bill contradicts itself. At page 9 it states that the corporation will be required to operate on a purely commercial basis, and in the second last paragraph on that page it says that the corporation is expected to provide a return on its capital to the State. The provisions go willy-nilly, and I cannot understand the ratio involved where the private investor comes into the issue.

I understand that 51 per cent of the shareholders' equity funds and capital is to be Western Australian if possible, but how private shareholders fit into this scheme I do not know. How the company tax will be met with private investors involved I am uncertain. I just do not know how that provision will work because later on the Bill talks, in vague terms, about the possible eventuality, of funds coming back to the Government, and then refers to our not wanting to take those funds in the foreseeable future because they should be available to the corporation as working capital.

What worries me about the Bill is that it does not provide for people who are already in business. It more or less refers to the starting of new projects rather than about assistance to existing new businesses. How will the corporation be fair and equitable to people already in business?

The best example is the reference to the corporation's moving into the area of five-star hotels. Such hotels already exist, and I wonder how those hotels will be able to compete against the corporation. Therefore I must refer again to this conflict with shareholders.

The crunch of the issue is the misunderstanding this Government has of private enterprise, which is the reason that we on this side differ so much from the Government in our views. Our philosophy is that private enterprise should get on with the job and that the Government should only set the economic climate for it to do these jobs. That is all that the Government can do; it must set the fiscal pattern and economic climate in which private enterprise can flourish. Unfortunately, Labor Governments work in reverse; they want part of the action and do not know how to run that action when they have it. Not only do they want to be involved in private enterprise, but also they want to be able to compete with private enterprise instead of getting on with the job of Government, which is setting the patterns and the ground on which private enterprise can flourish.

Nothing that happens will ever change the attitudes of Labor members. For as long as I can stand on my feet tonight and put that proposition to them I know it will go in one ear and out the other. I do not expect to get an answer from them.

The major point of my concern is that the corporation will become involved in offshore borrowing. I am interested to know Mr McCarrey's attitude to that issue. He will be a director of this corporation.

Hon. Peter Dowding: You have the assurance that the Under Treasurer has given his approval to this piece of legislation.

Hon. NEIL OLIVER: If that is the case, fine, but it does represent a 100 per cent turnaround in his attitude from May 1980. When this State was short of funds for trust investment, $15 million of Australian petrodollars were available in Indonesia which the Under Treasurer was not prepared to take the risk of borrowing.

Hon. Peter Dowding: I cannot speak of that instance, but I know from my personal knowledge that Mr McCarrey is supportive of this legislation.

Hon. NEIL OLIVER: I do not know who is twisting his arm.

Hon. Peter Dowding: No-one is twisting his arm. He is supportive of this measure; therefore, your criticism is allayed.

Hon. NEIL OLIVER: I assure the Minister that I have correspondence indicating that Mr McCarrey would not approve the borrowing from overseas of Australian dollars. I am not talking about borrowing Swiss francs or US dollars; I am talking about borrowing Australian petrodollars in Indonesia. He was not prepared to borrow that money, yet today it seems he has changed his mind in such matters. However, today greater risks may be encountered with devaluations than would have been encountered in those earlier days. I suppose people are allowed to change their minds and Mr McCarrey may have become more expert in understanding these matters. In those earlier days perhaps he was not aware of the complexities of the international money market.

Offshore borrowings by the corporation will be a dangerous business. I am sure people in the corporation will look at the Swiss franc market and say, "By golly, that looks good", but by the time the broker's fees and the cost of the sinking fund for the likelihood of devaluation are added, an attractive rate will seem to be lost. I assure the Government that Western Australian companies which have borrowed Swiss francs at 3 per cent interest rates have finished up losing millions of dollars.

Hon. Peter Dowding: Western Australian instrumentalities borrow substantially offshore and hedge their money. Your Government set in motion the offshore borrowing of $600 million. There is nothing odd about that.

Hon. NEIL OLIVER: That is correct, but such borrowings go through the banking system, which has a fiscal hedge against losses. The EPIC or the Reserve Bank are used; a banking clearing house importing and exporting money is used. Surely the Minister knows that in a bank such as the Australia and New Zealand Banking Group Ltd. in St. George's Terrace these facilities are provided. The ANZ has telexes which show every half hour the bills of exchange that are being discounted throughout the world and matched. The corporation proposed by this Bill will not have such facilities overnight because it takes years to develop facilities such as these which are able to use, say, exports from Western Mining Corporation Ltd. to tie in with the imported products from South-East Asia and other countries.

At least the corporation will deal in one currency, because today just about all trading is in US dollars, although some of it is in sterling.

This Bill represents a charade of an operation using taxpayers' funds. I just cannot believe that this will be done. When the time comes to change Governments heaven knows what state our economy will be in.

The South-East Asian marketing corporation, or whatever it is that the Government will have operating overseas, will face difficulties. Countries such as Syria, Egypt, Czechoslovakia, Hungary and Austria are basically iron curtain countries which deal on a corporation basis because they are part of the socialistic communistic bloc. For example, when we sell greasy wool to Czechoslovakia—which we are doing at the moment—it is sold to the Czechoslovakian wool import corporation although there are 92 textile spinning mills in that country. It has a central buying organisation which must be dealt with. However, in dealing with private enterprise countries the position is quite different, a position which this Government does not understand. We should not set up marketing corporations to deal with those countries because such corporations would be unacceptable. Agents already exist in those countries, agents which have the organisation, contracts and prestige necessary to do this work. Often these companies have been established for more than 100 years. One company, Sirmonius Vischer, has been operating for 800 years. It is one of the world's greatest trading companies. We cannot expect to bypass such companies. The corporation will not be able to walk in with a visiting card and say, "We are the Western Australian Development Corporation". People will ask, "Where is that?"

Even in the Swan Valley we are anxious to sell table grapes and intend to have a much larger

crop of table grapes. In that regard I have considered bypassing the agents in Jakarta and Singapore, but that cannot be done. The Liberal Government set up an office in Singapore to try to get an association with the Chartered Bank, but that could not be achieved. This Government will wander into Singapore, Jakarta or somewhere else to set up the South-East Asian marketing corporation, but it will be doomed to failure because no-one can go into a country like that to try to bypass the existing agents. If the Government wants to try it really tough and hard it should try to go to West Germany and bypass the merchant bankers in Hamburg or Bremen. The Government cannot expect the corporation to be able to step through the front door and bypass the local merchants. If it does, it will be finished. It must deal with merchants, which is the way business operates in West Germany and most other trading countries. The Attorney must know that these matters are operated on a merchant basis in those countries. No-one can go to Manchester or Bradford to operate in this business unless he goes through a merchant who has the expertise and knowledge in the area.

Hon. Garry Kelly: What does that have to do with the Bill?

Hon. NEIL OLIVER: If the member does not know what these remarks have to do with the Bill it is obvious he has not read the Bill. The remarks I have made can be confirmed tomorrow by an approach to the officers of the Department of Industrial Development. Ever since I have been a member of Parliament and have had to travel the world and deal in these situations I have known of the problems with monetary exchange and overseas trade. In fact, my family guided the ANZ Banking Group in this matter, initially in the Middle East, and was partly instrumental in the setting up of the EPIC. My family has known about these things, and we would not wander around the world in a wishy-washy way from Beirut to Hamburg or Amsterdam trying to bypass the merchant system. I am quite certain that the Attorney General knows that. I am sorry if the Attorney General tells me that he is able to go into countries and bypass the merchant system that operates and that it is the Government's intention to do that, because he will be unable to do so. I would be interested to hear his remarks in this regard and I would like him to confirm that that is not the Government's intention.

HON. G. E. MASTERS (West) [11.16 p.m.]: I shall be brief because my colleagues have covered the questions I intended to canvass. I would like to make a number of points about the legislation and the way in which the Government has introduced it into the Parliament and into the Legislative Council. The legislation is not a large document, indeed it is a fairly small one, but the ramifications are enormous. Members must understand what could happen if this legislation is passed. The second reading speech was a good speech, but did not go far enough and did not cover all the implications written into the Bill.

The Opposition implores the Minister to defer further progress on the Bill until the public, the business sector, and those people who are vitally concerned and involved—the Confederation of Western Australian Industry, the Chamber of Commerce, major institutions, and representative bodies—and who stand for, represent and speak for big and small business throughout Western Australia, have had time to examine the Bill.

If the Government were to delay the progress of this Bill for 10 or 11 weeks it would enable the Opposition, the public and the business sector to examine it fully. It is an important issue and is not something I am brushing over lightly.

Earlier in the debate the Minister said that all the Opposition had done was to make an issue about the time allowed to consider the legislation. The Opposition and the business sector has not had time to absorb the implications of this legislation in order to fully understand what would happen if it were to be passed through this House. I would be surprised if the Minister did not agree with this proposition. If he does, he is going back on the Government's policy and promises. I would doubt, if that is the case, that there has ever been a Government of the day that has been less conciliatory and less likely to discuss legislation than the present Government.

Hon. Garry Kelly: You forget easily.

Hon. G. E. MASTERS: I do not forget and I will not argue with the Hon. Garry Kelly because I do not think he has read the legislation.

Several members interjected.

Hon. G. E. MASTERS: I do not want to start a shouting match. The Opposition has received letters and phone calls, and has had verbal discussions with people asking that the Government slow down this legislation in order that they can peruse it. We have received letters from the Confederation of Western Australian Industry and the Chamber of Commerce. I have no doubt that Government members have also received letters asking for the matter to be deferred for the time being.

The legislation has been on the Notice Paper for only a short time. I have already said that we will not defeat the legislation, but are imploring the Minister and the Government, as a result

of the implications of the legislation and its importance to the community, to defer it for a few weeks to enable the public and the business sector, who will be vitally affected, to look at the Bill.

The Opposition has a responsibility to make this appeal to the Government. I will not go into the details of the Bill because the Hon. Sandy Lewis and subsequent speakers have covered them. However, the Bill goes far beyond what was the concept prior to the election and what the present Government's policies and the present Premier of the day said would happen in respect of the development corporation.

The Opposition has no quarrel with parts of the Bill. Proposals are included in it to help industry in high technology and the like, and we support that. However, we have a deep concern about some aspects of the Bill, particularly those clauses that allow the Government to borrow unlimited funds from overseas. The public and the Opposition have every reason to be concerned about the proposition. Members will remember what happened in Whitlam's day. They should look at this proposition with great caution, because they would not want to repeat that exercise.

The State of Western Australia has enormous potential, and some proposals in this legislation will help to develop that potential. The Bill is constructed in such a way that other matters are incorporated in it. I refer to clauses 11 to 14 because, as the Hon. Sandy Lewis has illustrated, they cover important aspects of the legislation.

When the Government was first elected it advocated smaller Government. I would suggest there is a great risk under the Bill before the House that the Government will become larger rather than smaller. I hope that Government members and particularly the Attorney General are listening to this plea. It is sincere and genuine, because I feel deeply about this matter.

The Opposition supports the proposition that the Government should have a statutory body to provide support for the community, especially those people in isolated areas. It does, however, have its views about other matters such as the entitlement of shareholders, which has previously been discussed. It is our belief that there has been little or no consultation in regard to this Bill and the policy of the Government both prior to and since the election has been that at all times there will be consultation and thorough examination of legislation. Indeed, today in the newspaper and last night on a news report the Premier said that the Government would allow the Opposition ample time to consider legislation and it would not rush it through the House. If that is the case the Opposition asks the Government why there is a rush. The State will be here for a long time and the possibility of damage is considerable in regard to some clauses of the Bill. A deferral is the proper course of action and one that the Government should pursue.

I hope that when replying to the debate the Attorney will say that further progress on the legislation will be deferred until the public have had the opportunity to discuss the Bill. With those comments, I ask the Attorney General, who is handling this Bill, to ensure that serious consideration is given to the questions raised by the Opposition, and more particularly that the comments of members of the public who have expressed concern about the legislation and the dire need for an adjournment of just a few weeks to allow them to respond in a proper manner, be heeded by the Government.

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [11.20 p.m.]: The Hon. Sandy Lewis in leading for the Opposition started his comments in ominous tones by referring to this legislation as constituting the death knell of business in this State. That comment puts in a nutshell both the misunderstandings and the inaccuracies in Mr Lewis' speech and in that of at least some of his colleagues.

This is not a measure to oppose or to compete with private business. Its prime purpose is to assist and to promote private business. It is true that the legislation allows scope for equity participation by the corporation, but that is not its prime purpose. To the extent that the corporation does have equity in an enterprise, that would be peripheral to its real function and would be justified only in the particular case. Why would the Government act contrary to the interest of private enterprise in Western Australia?

Does anyone really believe that the Government does not recognise the importance of the private sector? May I ask what is there in either the record or the platform of this Government to suggest that? There is nothing to suggest that in anything the Government is doing, and there is certainly nothing to suggest that in the Bill which is now before the House.

Our position is to the contrary and I would summarise it briefly as follows. In the first place, we see the need to encourage and facilitate development in this State. The Government's preference is that that should be solely by private enterprise and preferably without Government participation at all. On the other hand, where private Western Australian industry is unable to

muster the necessary resources, the Government wants to be in a position to help.

State equity is a long way down the line in the process I have outlined. It is not the aim of this exercise, but is simply and only, to the extent necessary, one way of assisting that. That needs to be understood clearly because without that this Bill is not understood at all. It is understood, indeed, as little as other matters were understood which Mr Lewis purported to explain.

I turn to discuss some of those matters in detail. For a start Mr Lewis complained that the second reading introduction to this Bill misrepresented the position of the analagous Victorian corporation. The more limited function of that corporation to which he referred did indeed constitute its original charter. However, that was amended in 1982 and is now almost precisely in line with the functions proposed for the Western Australian development corporation.

The comment in my second reading speech was, therefore, quite accurate and the error was in the criticism of it. The Hon. Sandy Lewis also made great play of my comment referring to the manner in which the Bill complies with the recommendations of the Campbell committee. Because he dealt with that at such great length, I think it preferable to refer to the actual words in my speech. I said, "Nevertheless the Government has independently evaluated the findings of the Campbell committee and decided to recognise all the major recommendations in respect of Government-owned financial institutions in formulating the Western Australian Development Corporation Bill". I pause for a moment to stress the words of that comment, "in respect of Government-owned financial institutions". Purporting to correct me on that comment, the Hon. Sandy Lewis turned to page 490 of the Campbell committee and quoted recommendation 29.32 as follows—

> Having regard both for efficiency and other considerations, the Committee *recommends* that AIDC should be disposed of to private sector interests.

That, in the first place, is not a reference to Government-owned financial institutions in general but a reference to the AIDC in particular. In centering his comments on that recommendation on page 490 of the report, Mr Lewis ignored—in spite of my interjected invitations—the recommendations relevant to this proposal at an earlier part of the report on page 459. I refer in particular to paragraph 26.39 which reads as follows—

> The Committee believes that where a GFI is to undertake commercial activities in competition with private sector institutions, it should be on the basis of fair and equal competition. The advantages flowing from government ownership should be fully neutralised. Otherwise the financial system will not function efficiently. The Committee therefore concludes:
>
> (a) In all essential respects, including capitalisation and profitability objectives, taxes etc., the operations of GFIs should, as far as possible, be placed on an equal footing with those of private sector competitors.
>
> (b) If there are benefits in terms of borrowing status arising from government ownership (whether there is an explicit guarantee or not), these benefits should be assessed independently, priced as a fee and treated as an operating expense; (however, the imprecise character of any such assessment must be recognised).
>
> (c) If practical difficulties delay full capitalisation, then a comparable capitalisation should be imputed before applying an industry-based profit performance test (see below).
>
> (d) If it is not practicable to achieve equality in operating taxes etc., the differences should be noted in the accounts of the institution.
>
> (e) GFIs should be expected to:
>
> conduct their commercial functions so as to return an average long-term level of profitability similar to that of their private sector competitors (subject, of course, to the proviso that industry profitability is not excessive), after appropriate adjustments to the GFIs' accounts (e.g. for any gearing, tax etc. differences that have not been explicitly eliminated) to make the comparison meaningful;
>
> pay a comparable rate of dividend.
>
> (f) Subject to meeting the above primary objectives, the *commercial* activities of GFIs should be no more fettered or subject to government interference than private sector institutions undertaking similar activities.
>
> (g) To assist meaningful comparison as far as possible, GFIs should account separately for their commercial and any non-commercial operations (the "target" return mentioned in (e) applies only to the

commercial operations). Where the two operations cannot be adequately separated, the notes to the commercial accounts should show the benefits and costs to the institution stemming from non-commercial rights and obligations bearing on the GFIs' commercial results.

Hon. A. A. Lewis: Would you say what chapters 26 and 29 deal with? You are talking about "general" instead of AIDC. Chapter 26 talks about Government-owned financial institutions.

Hon. J. M. BERINSON: Precisely.

Hon. A. A. Lewis: Chapter 29 deals with the AIDC.

Hon. J. M. BERINSON: I am not arguing with the member. He would appear to be missing the point; I am agreeing with what he says. I am pointing out that his reference to the AIDC misrepresents my comment in the second reading speech which related to Government-owned financial institutions. At the risk of wearying the House I read that lengthy extract from the report.

Hon. A. A. Lewis interjected.

The PRESIDENT: Order!

Hon. J. M. BERINSON: I read that extract so that no-one could suggest that there was a selective quotation from the Campbell report. I did not want to fall into the same trap as the Hon. Sandy Lewis. I quoted it at length and I invite honourable members to recognise that every one of those substantive recommendations relevant to the Western Australian development corporation proposal is incorporated in the Government's Bill. That is the position I explained in the second reading speech and it will be confirmed by a comparison of the Campbell committee recommendations, which I have now read into *Hansard*, and the provisions of this Bill.

Hon. Neil Oliver: You were not able to say what you thought the return would be on investment in this operation. You have no parallel or any way to draw an example.

Hon. J. M. BERINSON: The Campbell report called for comparable returns with those in private commercial activity, and that is what we are looking for. The return will depend on the nature of the particular enterprises supported and activities engaged in.

Honourable members will know that I do make a practice in second reading debates of answering questions to the best of my ability. My good intentions in that respect are often limited by the nature of the questions asked. To a significant extent that was the case in this debate. In many respects, although not all, the Hon. Sandy Lewis did ask questions which cannot be answered now simply because the answers to them will depend on the extent and the nature of the corporation's business. It is precisely those decisions which will constitute the role of the corporation itself.

For the same reason, at this stage we cannot provide estimates of the borrowings of the corporation since we do not know, as we cannot know, the use to which these funds will be put when the corporation makes its decisions. In this debate, as in so many others during this session, we have heard accusations of the Government's taking rash or radical action. As in other cases, I deny that, because what we are proposing is neither rash nor radical nor even very novel. It does not even depart in any significant respect from the proposals of the previous Government as enunciated at the last State election.

The Hon. Sandy Lewis will recall that the then Government suggested that it would seek to expand the role of the Rural and Industries Bank to permit it to provide equity capital in addition to lending to businesses. How is that, in principle, to be distinguished from the capacity of the corporation to provide equity capital in the limited circumstances to which I have referred? Why would the honourable member be prepared to trust both the judgment and the integrity of the commissioners of the R & I Bank, but not the judgment or the integrity of the directors of the development corporation? Where is the difference between them? Why does the honourable member feel it necessary to denigrate distinguished public servants such as the Under Treasurer and the Chief Commissioner of the R & I Bank, both of whom are specified for membership of the board, by suggesting as he did—

Hon. A. A. Lewis interjected.

Hon. J. M. BERINSON: What is the point the member is trying to make?

Hon. A. A. Lewis: I do not like to be misquoted and I did not denigrate either Mr McCarrey or Mr Fisher. If you check in the *Hansard* you can see what I said and then apologise.

Hon. J. M. BERINSON: Perhaps the member did not realise he was denigrating these distinguished gentlemen just as perhaps he did not realise the extent to which he was denigrating other people in the course of his speech. Of course the member denigrated those people when he stated that the directors of the corporation could not be relied upon to make an independent judgment. The member made no exceptions to that and the Under Treasurer and the Chief Commissioner of the R & I Bank were caught up with the general condemnation and denigration. The

honourable member was not only unfair to those two gentlemen in particular, but he was condemning in advance the bona fides of all other persons who might be appointed as directors to this corporation.

If I have taken that criticism by the Hon. Sandy Lewis too far, then I do assure him that I will accept his invitation and check the *Hansard*. Certainly I will withdraw any imputation which is not a correct one. However, the same point can be made in a more positive way and without referring to Mr Lewis' comment.

I put it to members seriously: Over very many years successive Governments have shown that it is possible to draw both from the Public Service and from the general community people of distinction and real ability who are prepared to serve the State. Governments have had the capacity to draw on that reservoir of ability and interest to successfully man many agencies of the State. People who have been nominated to them have very often been in the same position referred to; that is, appointed for set terms and subject to further Government decisions for reappointment. Yet they have acted with absolute reliability, with independence, and in the interests of the State.

Putting aside all questions of whether the criticism was taken too far, I put it to the House that there is no reason to condemn in advance the people likely to take these positions by the suggestion that, whoever they are—I have not the faintest idea who they might be—they cannot be relied on.

As well as asking whether we should trust the future directors of the corporation as we trust other people put into important positions, we surely have the further relevant question as to why, in this State, we should not be prepared to rely upon a Western Australian development corporation in the same way and along the same lines as other States have shown a willingness to depend on theirs. I have already referred to the Victorian position.

Victoria's equivalent of our development corporation has almost exactly the same functions as our proposition in this Bill. I advise the House that both South Australia and Queensland are in the process of establishing the sort of operation which this Bill contemplates, and they are proposing to do so on as wide a basis as the Bill proposes, including a capacity to function interstate. This raises an independent question. Should we leave the position in Australia such that corporations in South Australia and Queensland should be free to attract and draw funds from Western Australia for development in their States while not equipping ourselves with a similar corporation to harness our own funds in our own interests? If that sounds parochial, the Government makes no apology for it. Our first responsibility is for the welfare of the State. That is linked inextricably with the pace of development, and to that extent I should have the agreement of members opposite.

It is necessary to correct other matters that have been raised in the course of debate. I do not want to appear to be targeting especially on the Hon. Sandy Lewis, as he appears to be somewhat sensitive. Nonetheless, he was the honourable member who kept making reference to the five pearls of the south. His comments in that respect were based on a report in *The Australian*, apparently, which suggested that the Government was interested in direct equity investment in five hotels in the south-west of the State. I interjected at the time to refer to a report in *The West Australian* which includes two comments. The first relates to Mr Grill and is as follows—

> He was not saying that WADC would take equity in the hotel projects, but it could help to get them started.

Later in the same article is a report attributed to the Premier and Treasurer, which is perfectly direct. It says—

> Mr Burke said that the Government did not want to own hotels.

I have taken the precaution of asking both the Premier and Mr Grill whether the report I have just quoted accurately represents their position, and I am assured that it does. If that means that the report in *The Australian* is incorrect, that is exactly what it means; so I would not want any other impression to remain uncorrected.

Reference was also made to an alleged lack of consultation with the Stock Exchange. In this respect, I advise the House that discussions and correspondence have taken place with the Stock Exchange. I am informed that the listing manager of the exchange has advised the Premier's office that the Stock Exchange has resolved to alter its rules to accommodate the listing and marketability of the Western Australian development corporation shares, as proposed in the Bill. We are advised that written proposals are now being prepared.

A query was also raised as to whether the general powers of the corporation in clause 12 (2) (o) do not go too far. That subclause provides that the powers of the corporation include power to do anything incidental to any of its powers. The question was asked whether this was dangerous, unprecedented, and unwise in any event, for a body with the wide financial powers of the corpor-

ation. The answer at all points is "No". In fact, it goes no further than a similar provision in the Rural and Industries Bank Act, in which section 19 (2) (g) permits the commissioners to do all such other matters and things as are necessary or convenient for giving effect to the powers conferred on them. Again, there is no radical move away from well-established practice.

The same thing might be said in respect of two other matters raised in the course of debate. One, I think, was raised by the Hon. Neil Oliver, who referred to the ability of the corporation in terms of the Bill to borrow overseas. Sections 30 and 31 of the Rural and Industries Bank Act provide a power as wide as that, so here again there is nothing new.

Another speaker in the debate referred to the very extensive guarantee provisions applying in respect of the corporation's functions. This goes no further than does section 49 of the Rural and Industries Bank Act in respect of the liabilities of the bank.

It is in the nature of Oppositions that they should oppose Government proposals. That is acceptable. However, there comes a point where opposition to Government initiatives must be restrained or otherwise degenerate into sheer negative obstruction. There also comes a point where Oppositions need to recognise and facilitate the State's interest, even where it might cut across pre-existing prejudices. In this case, I invite the Opposition to recognise that changed times need different and more open-minded approaches.

I will not repeat the increasing need of the State to find adequate sources of revenue. All I will say is that none is more important than the revenue which would flow from a vital, active, and profitable private sector. That means, in turn, that in addition to the standard approaches to assisting and stimulating private development, new means must be sought and organised. That is the purpose of the Bill.

The Bill's purpose is an important one, and an urgent one. The Government is anxious to put the corporation's structure into place promptly, and it is important that we do so. I am not, therefore, in a position to agree to suggestions that the Bill should be deferred. It should not be deferred. I urge the House to support it.

Question put and passed.

Bill read a second time.

Point of Order

Hon. G. E. MASTERS: I seek guidance from you, Sir. I do this with the greatest reluctance, but it seems that I have no alternative. At this stage, is it a proper course of action for me to move that the Committee stage be dealt with at some other time?

The PRESIDENT: This is the correct time, but you cannot make any comment on the motion.

As to Committee Stage

HON. G. E. MASTERS (West) [11.56 p.m.]: I move—

> That the Committee stage of the Bill be made an Order of the day for 13 March 1984.

Hon. Peter Dowding: Shame!

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [11.57 p.m.]: I move—

> That the motion be amended by deleting the passage, "13 March 1984" with a view to inserting the passage "20 December 1983".

Mr President—

The PRESIDENT: This is not a debatable motion.

Point of Order

Hon. J. M. BERINSON: I was under the impression there is nothing in the Standing Orders to prevent debate on the amendment.

President's Ruling

The PRESIDENT: The Hon. G. E. Masters has moved that the Committee stage of this Bill be made an order of the day for 13 March 1984, to which the Attorney General has moved an amendment to delete the passage "13 March 1984" with a view to inserting the passage "20 December 1983".

I say to the Attorney General, as I indicated earlier, that I fail to see that this is a motion or an amendment that can be debated, because Standing Order No. 102 makes it perfectly clear what the situation is, and Standing Order No. 99 clearly says that when considering a motion moved under Standing Order No. 102, the motion is not debatable and the vote on that is not debatable.

Therefore, I have no alternative but to rule that it is not a debatable motion or amendment.

Debate Resumed

The question is that the words to be deleted—

Point of Order

Hon. G. E. MASTERS: Could you explain to me again what you are putting forward?

The PRESIDENT: What do I have to explain?

Hon. G. E. MASTERS: Is the question that "13 March" be amended to "20 December"?

The PRESIDENT: Yes.

Debate Resumed

Amendment put and passed.

Motion, as amended, put and passed.

REFERENDUMS BILL

Assembly's Message

Message from the Assembly received and read notifying that it had, in the public interest, refrained from determination of its constitutional rights and obligations as set out in subsections (3) and (4) of section 46 of the Constitution Acts Amendment Act and, notwithstanding the likelihood that certain of the amendments made by the Council in this Bill would involve increased public expenditure in the conduct of referendums, had agreed to the amendments as set out in the Council's message No. 63, subject to a further amendment to amendment No. 8, in which further amendment the Legislative Assembly desired the concurrence of the Council.

ACTS AMENDMENT (PREVENTION OF EXCESSIVE PRICES) BILL (No. 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. D. K. Dans (Leader of the House), read a first time.

Second Reading

HON. D. K. DANS (South Metropolitan—Leader of the House) [12.06 a.m]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to amend the Consumer Affairs Act 1971-1983 and the Prevention of Excessive Prices Act 1983. By amending the Prevention of Excessive Prices Act 1983, it will now apply specifically to petroleum products and services only.

The Prevention of Excessive Prices Act was passed as a result of an undertaking given by the Government, prior to the election, that prices would also be subject to scrutiny during the wages pause. The legislation was enacted to complement and give balance to the Salaries and Wages Freeze Act.

One of the undertakings given by the Government prior to the election was in regard to petrol prices, and the proposed amendments honour this undertaking, and the Government has been given a mandate to legislate for this purpose.

We all know that immediately following the election in February, the retail price of petrol increased by at least 2c per litre in the metropolitan area. This occurred before we became the Government on 25 February. Even when the Ministry had been commissioned, it still had no power to control petrol prices.

The manipulation of petrol prices had occurred in another State at a time when industrial action had denied the public an alternative mode of transport. This type of manipulation forcibly emphasises a need for Government control of petrol prices.

This Government has been concerned about the petroleum industry and, in particular, petrol prices. Firstly, a declaration was issued under the prevention of excessive prices legislation which enabled the Prices Commissioner to issue an interim price order to redress the petrol price situation orchestrated by an oil company immediately following the election.

Secondly, a committee of inquiry was appointed to inquire into the price of motor spirit in Western Australia. The committee's report has been received and this legislation is required to be able to give effect to any recommendation that may be acceptable. In particular, I refer to the following recommendations—

> the wholesale price of petrol should be 1.5c per litre less than the lowest company price as approved by the petroleum products pricing authority;
>
> this reduction should also apply to standard-grade petrol and purchases by all classes of resellers;
>
> pump prices of distillate throughout the State should be monitored;
>
> retail prices in the free delivery area for both super and standard petrol should be 3.5c per litre higher than the maximum wholesale price; and
>
> the price orders applying to specific country centres should remain.

The machinery and enforcement provisions of the legislation are identical with those of the Prevention of Excessive Prices Act, but specifically apply only to petroleum products and petroleum services.

This legislation includes two ways in which the Government seeks to achieve its objective—

> firstly, it seeks to continue the appointment of the Commissioner for Consumer Affairs as a Prices Commissioner who will be

responsible for the adminstration of the Act including the monitoring of prices of petroleum products;

secondly, the existing declaration and price orders on petroleum products and services will continue with others being added when necessary.

The Prevention of Excessive Prices Act has a sunset clause, and the legislation would, in the absence of amendment, lapse on 31 December 1983.

It would be folly for the Government to allow the declaration and prices orders on petroleum products to lapse at that time. The results could well be chaotic marketing and instability within the industry.

The control of petrol prices has led to a measure of stability in the industry and has the general support of service station proprietors through their association and the Western Australian Automobile Chamber of Commerce.

It has also been of considerable financial benefit to consumers, both in the metropolitan and country areas, and it has been estimated that the motoring public have been saved at least $1.5 million for each month that has passed since price orders were enforced.

Without legislation to control petrol prices at a time when the majority of other States have such control, Western Australia would also be at a great disadvantage. Therefore, it is desirable to have legislation to control petrol prices to ensure that prices are not manipulated to the disadvantage of the State and its people.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. P. H. Wells.

MARKETING OF LAMB AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. D. K. Dans (Leader of the House), read a first time.

Second Reading

HON. D. K. DANS (South Metropolitan—Leader of the House) [12.11 a.m.]: I move—

That the Bill be now read a second time.

To provide an orderly marketing system for lambs delivered for slaughter in Western Australia, the Western Australian Lamb Marketing Board was established in 1972.

In a recent referendum conducted by the Government, 66 per cent of producers voted for the continuation of the board under its existing charter.

The operations of the board will be fully considered by the forthcoming inquiry into Government involvement in the meat industry, and arrangements for this inquiry are now being finalised. In view of this inquiry, it is proposed to proceed at this time only with those amendments of a purely administrative nature.

Section 4(1) of the principal Act is amended to define a "producer" as a person engaged in the raising and finishing of lambs for sale. Under the interpretation of the previous definition, abattoir operators who owned lambs for a short period prior to slaughter were deemed to be producers, and were therefore eligible to participate in any payments made to producers at the end of a trading year. This year's profit was in excess of $1 million. Under the amended definition, the distribution of trading surpluses would be made only to bona fide lamb producers, and abattoir operators would be excluded from such payment.

Section 19 of the principal Act is amended to provide for increased penalties for unauthorised slaughterings. It is intended to increase this penalty from $200 to $2 000 for a first offence and to $4 000 for any subsequent offence; and the penalty per lamb from $10 to $100.

Unauthorised slaughtering has occurred on a wide scale and it is evident that the current level of penalties does not provide a deterrent. Infringements of the Act include the failure to declare lambs which have been slaughtered, and the description of genuine lambs as hoggets or sheep in an attempt to avoid the provisions of the Act.

Accordingly, section 31(E) of the Act is to be amended to provide for increased penalties for offences against the regulations. Provision is therefore made in this Bill for an increase from $100 to $1 000 for a first offence, and a fine not exceeding $2 000 for any subsequent offence against any regulation.

Under the existing Act, the board's power to trade in live lambs is restricted to a situation where a serious slaughtering stoppage has occurred. The Bill therefore provides also for the board to trade in live lambs in the specific case where lambs have been delivered to the board for slaughter, and are then assessed to be in an unsuitable condition for immediate slaughter.

Provision is made in the Bill to repeal section 21A of the principal Act, and proposed new section 21A provides for the board to hold and sell such lambs in the live form if the producer so wishes. This amendment would result in a more efficient operation for the board in that poorer

quality lambs are not required to be slaughtered immediately. In such circumstances, the producer would also be expected to benefit by receiving a higher price for such lambs if sold in the live form.

It is intended that the Act will come into operation on a day to be fixed by proclamation.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. Tom Knight.

TOBACCO (PROMOTION AND SALE) BILL

Assembly's Further Message

Message from the Assembly received and read notifying that it had agreed to the time and place fixed for the conference.

SHARK BAY SOLAR SALT INDUSTRY AGREEMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. Peter Dowding (Minister for Mines), read a first time.

Second Reading

HON. PETER DOWDING (North—Minister for Mines) [12.16 a.m.]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to ratify an agreement dated 16 November 1983 between the State and Agnew Clough Limited, Mitsui Salt Pty. Ltd. and Australian Mutual Provident Society for the continued production and export of salt and other evaporites from Useless Loop at Shark Bay.

The subdivision of interest in the salt operation is—

Agnew Clough Limited	35 per cent.
Australian Mutual Provident Society	35 per cent
Mitsui Salt Pty. Ltd.	30 per cent

The Shark Bay solar salt operation was the pioneer major solar salt operation in Western Australia and has operated since 1963 in accordance with the provisions of the non-ratified Shark Bay solar salt industry agreement 1963-1965, which I will refer to hereafter as the "original agreement".

The original agreement provided for the production of salt from a Land Act lease for a term of 21 years, with fixed royalty, and rentals as appraised from time to time by the Minister for Lands.

Other major salt producers in Western Australia—namely, Dampier Salt Pty. Ltd. and Leslie Salt Company—carry on salt production operations under ratified State agreements. These producers operate on Mining Act leases and pay royalty and rentals in accordance with the provisions of their respective agreements.

The agreement before the House replaces the original which is due to expire on 30 June 1984 and provides such terms and conditions as are necessary to bring the existing operations onto a similar basis as exists under other State salt agreements.

The agreement serves to acknowledge the improvements and undertakings which have been achieved by both the State and the joint venturers in the course of establishing and carrying on the solar salt industry at Shark Bay.

The agreement provides that, upon application by the joint venturers, the State shall grant several Mining Act and Land Act tenures to replace the sole existing special Land Act lease.

The Mining Act tenures shall include—

a mining lease of the area for the production of evaporites;

a general purpose lease for the purpose of stockpile and loading;

a general purpose lease for the purpose of flume;

a miscellaneous licence or licences for the purpose of roads; and

a miscellaneous licence for the purpose of a road and pipeline.

Two separate special Land Act leases shall be granted for the following purposes—

housing for the work force of the joint venturers and the associated population; and

an aerial landing ground.

The mining lease will be issued for a term of 21 years with right of two successive 21-year renewals, and the terms of the accompanying Mining Act leases and licences and Land Act special leases will be co-terminous with that mining lease.

The joint venturers may, within one year from the commencement date, make application to the Minister for Mines to have all or any part of a defined area of land included under the agreement as part of the mining lease for the purpose of assuring access to the production area.

Rentals payable on the replacement leases will be consistent with rentals paid by other salt producers and subject to escalation from time to time as specified in the agreement. Other areas the

subject of the agreement will be covered by Mining Act licences at the rental prescribed under the Mining Act.

As stated earlier, under the original agreement the joint venturers have paid a fixed royalty to the Minister for Lands. The basis for royalty for salt proposed in this agreement will bring the Shark Bay operations into line with royalty applicable under other State salt agreements, but more importantly the Evaporites (Lake MacLeod) Agreement.

On 18 November 1982 royalty payable under the Evaporites (Lake MacLeod) Agreement was subject to escalation as provided in that agreement. The agreement before the House provides that the escalated royalty will be applicable from the date of ratification of the agreement, but further escalation each subsequent seven years will be from 18 November 1982.

Other features of the agreement include—

an obligation on the joint venturers to construct and provide at such standard to be approved by the Minister and within 18 months of the commencement date, school facilities of a permanent nature at the work force housing area, Useless Loop;

a proposals process whereby the joint venturers may seek approval to submit detailed proposals for the development of a formal town within the area of the special Land Act lease issued for accommodation of the work force of the joint venturers and associated population; should this course be adopted any proposals made by the joint venturers would also be subject to ministerial approval; and

a requirement that the joint venturers submit detailed environmental proposals for measures to be taken, in respect of the joint venturers' operations, for the protection and management of the environment.

The agreement makes no provision for stamp duty exemption.

The remaining provisions of the agreement are common to agreements of this nature between the State and other resources developers.

The Government is confident that under this revised arrangement, the Shark Bay solar salt industry will continue to make a meaningful contribution to this State's economy.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. P. H. Lockyer.

BILLS (2): RETURNED

1. Coal Mine Workers (Pensions) Amendment Bill.
2. Coroners Amendment Bill.

Bills returned from the Assembly without amendment.

ACTS AMENDMENT AND REPEAL (INDUSTRIAL RELATIONS) BILL

Second Reading

Debate resumed from 10 November.

HON. N. F. MOORE (Lower North) [12.20 a.m.]: It is regrettable that we find we are now debating this legislation which we had been given to understand would be deferred for some considerable time. However, as we are going to consider it now, I will commence on behalf of the Opposition.

The industrial relations Bill introduced by the Government into Parliament proposes the most radical changes to industrial law in Western Australian history. The legislation represents union government where the rights of the public, the worker, the self-employed and small business are secondary to union leadership and ambitions. Strikes and lockouts will become lawful.

The removal of commission's power to impose penalties will mean industrial disputes and strikes are likely to take much longer to resolve and could go on indefinitely. There is a certainty that increased and lengthy industrial disputes will mean a greater loss of wages and jobs to the long suffering worker who simply wants to get on with his job.

The legislation is a recipe for industrial blackmail. Those who refuse to join a union will be forced to pay a special levy or tax to the State Treasury.

Many self-employed subcontractors, owner-drivers, and small businessmen will be classed as employees, forced to join unions and have their work hours, rates, and conditions controlled. Contractual arrangements and partnership arrangements can be declared industrial matters and dealt with by the Industrial Commission.

The subcontractor system will be destroyed, contracts and rates of charge may be varied or declared void on a complaint from anyone to the Industrial Commission. Examples of those people who may be affected are window cleaners and lawn mowing contractors; hairdressers who run their own business and lease premises and equipment within a retail complex; drycleaners who lease premises and equipment, but nevertheless run their own business; owner-drivers, independent contractors; and principals of firms who are

working proprietors, and working proprietors such as master butchers, drycleaners, and service station proprietors.

Hours of work in the agricultural and pastoral industries will be subject to the Industrial Commission direction.

The Teachers' Tribunal, the Public Service Arbitrator, the Railways Classification Board and the Promotions Appeal Board will be abolished and will become divisons of the Industrial Commission.

The legislation affects every section of the community, and the State Opposition believes that under no circumstances should the Government proceed with the Bill until the public fully understand the very serious implications of such radical proposals.

With those very brief remarks, the Opposition is definitely opposed to the conditions of this legislation and is disturbed that it will not get the sort of consideration that it requires from all sectors of the community. I oppose this legislation.

Debate adjourned, on motion by the Hon. Tom Knight.

HOSPITALS AMENDMENT BILL

Second Reading

Debate resumed from 1 December.

HON. JOHN WILLIAMS (Metropolitan) [12.25 a.m.]: I will not make a great contribution to a time-consuming debate on this Bill, and I say from the outset that following the information given to me by the Minister representing the Minister for Health in this House, we will support this Bill in all stages.

However, there are one or two comments which have to be made. This is the second time in my lifetime in this Parliament that I have seen one of these enabling Bills coming through the House. First of all there was Medibank and now there is Medicare.

It goes without saying that I do not subscribe to this philosophy—I never have and never will—because I have seen the abject misery created by a nationalised health service. The health service prior to Medibank in the State of Western Australia was more than adequate. The doctors, nursing staff and all their ancillaries did a magnificent job, but another philosophy had the chance to take its place and it happened. One cannot quarrel with that. It is the philosophy of the Government of the day. However, tragedies do occur with the nationalisation of medicine and there are some terrible examples, which I will not debate tonight, in the United Kingdom. Such things as simple hernia operations now involve a four-year waiting list to get into hospital because of the patient pressure.

Doctors are bullied into overprescribing for patients. Indeed, it is as a result of this that in the early days the architect of the national health service in the United Kingdom, the Right Honourable Aneurin Bevan, resigned because the authorities charged one shilling on prescriptions. His philosophy was that all prescriptions should be free; but they had to do something, because the costs associated with it were astronomical, because the system was being abused by the people.

Now we are faced with another enabling Bill to allow the introduction of Medicare. It is no secret that the Minister in another place when he introduced this Bill fulfilled the thought I had and which I have expressed in this Chamber that he was the most powerful Minister in Cabinet. I have not altered my stance on that, although I have come to recognise that even he faded a little when the doctors and surgeons of Australia and the AMA of this State refused to have anything to do with this Bill.

The Opposition moved, and moved very strongly, to amend the Bill and it is quite remarkable that the Bill before the House dealing with a simple measure for the State and Commonwealth Governments to enter into an agreement for Medicare contains five pages on carparking. It is quite unusual. The Bill contains four pages on amending legislation and the remaining pages are devoted to the doctors.

I said that I would not keep the House very long and there is no need to retrace the arguments advanced in another place. What has happened is very simple: Due to pressure by the Opposition in the other place the Minister was forced to rethink the matter because, coupled with that opposition, came the request from the AMA that conferences be held.

Hon. G. C. MacKinnon: There is no notice of those amendments is there?

Hon. JOHN WILLIAMS: The Minister in charge of this Bill has given me a copy of the amendments proposed and I presume that at the Committee stage he will circulate them to other members.

Several members interjected.

Hon. G. C. MacKinnon: Can you tell us what they are so we don't make second reading speeches?

Hon. JOHN WILLIAMS: I am sure that honourable members will not mind if I inform the House of the amendments.

Hon. Peter Dowding: I am happy that the amendments be circulated now and I have arranged with the Clerk for that to be done.

Hon. JOHN WILLIAMS: In that case I will now refer to a telex sent from the Director General of Hospital Services, Dr Roberts, to the Minister—the Minister made it available after Cabinet met in Bunbury yesterday. The telex explains the AMA's proposals. I do not know whether the Minister is breaking Cabinet confidentiality, but it is my understanding that Cabinet agreed to everything laid out in the telex by the AMA. I do not know whether I am correct in thinking that, but that is what I was told and I can see that Cabinet solidarity prevails because I will not get a whisper from the Minister.

Hon. Peter Dowding: You foreshadowed my reply.

Hon. JOHN WILLIAMS: The telex reads as follows—

> Could you please deliver the following telex to the Hon. Minister for Health at the South West Development Authority building, Stirling Street, Bunbury.
>
> Attention: Minister for Health Mr B. Hodge.
>
> These are the AMA proposals which I recommend you agree with.
>
> 1. An appointments committee will be set up at each hospital for the purpose of considering applications for applicants to practise at that hospital. Where hospitals are small the AMA and board/or Department will constitute an appointments committee for those 1 or 2 doctor hospitals. I recommend that this is done by hospital by-law which will be quicker and just as effective.
> 2. Appointments committee will make recommendations to board or to Minister where Minister is the board.
> 3. Where an applicant fails to receive recommendation he shall have right of appeal—to a board of reference.
>
> The recommendation of the board of reference shall be to the Minister and the decision of the Minister shall be final.
>
> Nothing in the above arrangements varies the current teaching hospital arrangements for private practice nor negotiated arrangements for appointments at Wanneroo and Osborne Park Hospital. This can also be done by a hospital by-law and incorporated in the letter of appointment.
>
> 4. A board of reference shall consist of:
>
> 1. Member nominated by Minister
> 2. Member nominated by applicant
>
> An independent chairman acceptable to the parties
>
> 5. The board of reference will only make recommendations where an application for an appointment has been refused by the appointment committee. It is the Ministers prerogative to reject or accept the recommendation. However where an appointment has been granted and subsequently withdrawn the decision of the board of reference will then bind the parties.
> 6. Terms and conditions relating to appointment at public hospitals shall be covered by an agreement between Minister and AMA.
>
> Where terms and conditions cannot be negotiated the Minister will refer the matters to independent arbitration. This will be confirmed to AMA in writing.
>
> Individual practitioners will be given letters of appointment in line with the agreement negotiated with AMA. In teaching hospitals a letter confirming the application of the existing teaching hospital agreement is all that is required.
>
> In non-teaching hospitals the general framework of the Glengarry Hospital registration form (including reference to by-laws) will be acceptable to AMA.
>
> 7. An undertaking that Government will not reduce fee-for-service arrangements below 80 per cent Commonwealth schedule fee for the duration of current Medicare agreement.
>
> Except at Osborne Park, Wanneroo and acknowledging that a review is to take place at Bentley Hospital.
>
> Medical practitioners offering services to public patients at all other

hospitals (other than N.W.) will be offered contracts on that basis. Introduction of salaried and sessional services to these hospitals will not be precluded but shall only be considered after consultation with AMA.

8. Matters in S33B which are subject to ministerial direction shall be effected only after consultation with the hospital board and an appropriately constituted medical advisory committee of that hospital (since 33B deals with clinical aspects of private medical services). Medical advisory committees will also be constituted under by-laws of the hospital.
9. Clinical privileges will be administered by the medical advisory committee of the hospital, within the policy guidelines set down by the Minister and board.
10. Minister to confirm that no facility payments beyond those for prescribed items will be introduced. This will require withdrawal of facility charge for cardial catheterisation on 31/1/83 which I recommend.
11. Re section 33A—amendments as sent to you by hand per Mr Reed are acceptable to AMA—subject to confirmation in writing from you that scope is limited to present list of prescribed items under S17 by the Commonwealth Minister and the power of State Minister does not extend beyond requirement to effect Commonwealth Minister's guidelines.
12. A hospital services advisory committee will be set up by the Department of Hospital and Allied Services to consider aspects of the provision of medical services at public hospitals and associated health services and AMA will be represented on the recommendations from this committee will be forwarded to the Minister.

    I recommend that Government accept all 12 points and authorise the provision of by-laws to effect creation of appointments committee, board of reference and medical advisory committees at public hospitals.

    Ends... Commissioner, Hospital and Allied Services.

Thus we see that a concerted effort by the medical profession to come to an agreement with the Government on a negotiable basis took place and the Government saw the value of the negotiations and announced it was willing to accept all 12 points, which removes any objection to the Bill. The onus is now back on the doctors themselves, and they are perfectly able to regulate, in conjunction with the Government, the services that have to be provided.

A letter which I have to confirm to the House, because this is the first my colleagues know of it, states in part in answer to Dr Roberts—

> Dear Dr Roberts,
>
> Thank you for your letter dated 6th December confirming the agreement of State Cabinet to the proposals put forward by the Association with respect to the requirements of the medical profession for legislation to implement Medicare in this State.
>
> As advised yesterday, the Association withdraws its opposition to the amended legislation in the light of Cabinet's commitment to amend the legislation presently before the House in the terms set out in your letter and on the undertaking to implement the establishment of Appointment Committees, Boards of Reference, Medical Advisory Committees and the Hospitals Advisory Committee.
>
> It is appreciated that discussions will need to be undertaken with the Minister for Health on the drafting of By-Laws to effect this agreement.

It is signed by Mr W. S. Coleman, Secretary of the AMA.

An amicable solution has been reached and the amendments to clause 8 will now go ahead and we will see that at the Committee stage. Had the AMA been consulted in the first place before the Bill was generally released into this place—it was a practice of the previous Government to consult a professional body to make sure everything was all right—hours of debate in another place could have been saved.

Surely as a Government of consensus this Government was well aware of its commitment to that policy. I implore the Government when introducing or proposing to introduce in future legislation which has a bearing on any body, or any professional body in particular, to realise it is

not letting any cats out of the bag by having prior consultation. There is a scream from some quarters that the Parliament should be the first to know. Parliament should indeed be the first to know good Bills. If a lot of controversial Bills come forward because of the difference in philosophy—and no-one can deny the Government's right to introduce its philosophy in its legislation; it has a mandate to govern—the Government's philosophy must take the slings and arrows of outrageous fortune that fly around the Chamber from time to time. All that odium could have been avoided had the Government consulted in the first place. Some of the stupid sitting hours could go, too, and I am pleased to see the Premier has suggested there may be a remedy for that by consultation.

Hon. Peter Dowding: One way would be to have a timetable for the conduct of business.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order! Debate must be related to the Bill.

Hon. JOHN WILLIAMS: The essence of this Bill is consultation and I am drawing the analogy—and I take the Minister's point—that with consultation and not just the bare introduction of legislation, great things might be accomplished. Certainly great things have been accomplished in this Bill to introduce Medicare.

I am advising my colleagues that the amendments the Minister will introduce are in order and I recommend they support the Bill wholeheartedly.

HON. P. G. PENDAL (South Central Metropolitan) [12.43 a.m.]: I am prepared to be guided by my colleague on this Bill. However, a matter was raised with me by a neurosurgeon in this city, and as I have some sympathy with the case, I would like a point clarified before the debate proceeds further.

I see no reference in the amendments circulated by the Minister for Mines to any deletion of the offending proposed section 33B, and in particular that part of the Bill on page 16 which states—

> (2) The Minister may, after consultation with a board constituted under section 15 of this Act—
>
> (a) give to that board such directions in writing as he thinks fit in respect of such private practice agreements as may be entered into by that board; and
>
> (b) by writing given to that board vary or revoke directions given to it under this subsection.

Perhaps the Minister can enlighten me because, with respect, the previous speaker has not done so on that particular subject; that is, the new subsection which a number of practitioners who approached me found to be most objectionable. They argued that it gave the Minister for Health the power to vary an agreement which was entered into between the board and that practitioner. Mr Williams has helpfully interjected and said that that will not now be the case. I accept the assurance, but there is no reference to it in the amendments circulated.

The last-mentioned amendment circulated refers to page 15, line 20. Does the Minister give me some sort of assurance that by magic the clause on page 16 will not now be applicable? If it will not apply, why is there is no reference to that in the amendments circulated? I put it to the House, as it was put prior to agreement being reached, that this is the type of interference in a contractual situation which no other person in the entire community would tolerate. If ever there was a case to argue that it is a harsh and unconscionable contract, this would be it. I am assured by all and sundry that it will not be applicable, yet I cannot find where it has been withdrawn. Everyone else seems to be happy with the Bill, but I shall not be happy with the Bill until I can discover where that offending clause has been withdrawn.

HON. PETER DOWDING (North—Minister for Mines) [12.46 a.m.]: I thank the Opposition for its indication of support for this legislation. I regret that the nonsense of suggesting this is a national health scheme similar to that of the United Kingdom was made by the Hon. John Williams. That is inexplicable nonsense as anyone who has read the legislation would realise.

The Opposition does itself no credit by suggesting in some way that because the Government—particularly Mr Hodge—has continued to be sympathetic to the needs of the profession and the views expressed by the AMA to the extent that it has been prepared to introduce substantial amendments and to make concessions to the AMA, it is an indication that it should have done so a long time ago or that it is a sign of the most powerful Minister fading a little. This is a complex piece of legislation about which the profession is entitled to have a point of view. Having reached a point of view and, following consultations, putting forward that point of view has nothing to do with the standard of debate in the other place.

Most of the comments in that debate were remarkable for their lack of ideas. The Opposition did not propose these amendments and it was not

a very good debate. I will not refer to its terms because Standing Orders prevent me from so doing. The Opposition did not come up with the solution; the catalyst for the solution was the discussions between Dr Roberts, the Minister, and the AMA. I give them full marks for reaching that compromise. To have the AMA now saying to the Government, and to anyone else who will listen, that it supports this legislation is a remarkable step, bearing in mind the contentious nature of any attempt to regulate the medical profession. It reinforces the position that the Minister has behaved in a responsible, sensible manner in order to achieve a result with which the profession can live. It was not pressure from the Opposition which brought about that situation but the Minister's willingness to talk to the AMA.

In response to the query raised by the Hon. Phil Pendal, proposed section 33B has been modified not by statutory amendment but by the compromise agreement which the Hon. John Williams read in the telex. It is the essence of the agreement which gives the AMA its satisfaction with the provisions of that clause. The end result is a piece of legislation with which the profession can live and which also enables the Minister and his department to regulate the way in which private practice and public practice are conducted within public hospitals. This is done in the same way as the St. John of God Hospital regulates the behaviour of practitioners who use its facilities.

Hon. P. G. Pendal: Are you saying that the subsection to which I referred will not be applicable in the new Act?

Hon. PETER DOWDING: No, I am not. The provisions of that clause are modified by the terms of the agreement reached between the Minister and the AMA, set out in this telex, referring specifically to the exercise of ministerial discretion under proposed section 33B, the nature of the agreement to be entered into by the profession in each case, and the mechanism for professional input into the nature of those agreements.

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. Peter Dowding (Minister for Mines) in charge of the Bill.

Clauses 1 to 7 put and passed.

Clause 8: Section 33A repealed and sections 33A, 33B and 33C substituted—

Hon. PETER DOWDING: I move the following amendments—

Page 12—Delete paragraph (c) and substitute the following—

> (c) there is in force between the private practitioner and the board of the recognized hospital an approved agreement providing for the rendering by the private practitioner of a professional service of the kind in question; and

Page 13—Delete paragraph (c) and substitute the following—

> (c) there is in force between the medical practitioner and the board of the recognized hospital an approved agreement providing for the rendering by the medical practitioner of a professional service of the kind in question; and

Page 14—Delete new subsection (8) and substitute the following—

> (8) The Minister may, if Commonwealth guidelines have been formulated, formulate guidelines by notice published in the *Gazette* for the purpose of giving effect to the Commonwealth guidelines and may by notice published in the *Gazette* vary or revoke any guidelines formulated under this subsection.

Page 15, line 21—Delete the passage "subsection (8)(a)" and substitute the passage "subsection (8)".

Hon. P. G. PENDAL: On two occasions and on a third occasion when the Hon. John Williams was on this feet I have asked the Minister to explain the effect on this legislation of the agreement read out by Mr Williams. No-one has answered that, least of all the Minister. This is remarkable from a Minister who earlier this evening was critical of the Opposition for not wanting to conduct business in the open. All I want to know is how that subsection on page 16 becomes inoperative as a result of an agreement between the parties outside the Parliament. If there is a simple explanation I invite the Minister to give it. If he does not know I will accept even an admission of that. Perhaps at a later stage of the sitting I will have the opportunity of checking further to see that the assurances I was seeking in the first place have been made.

I re-state my situation, hoping that there is a simple explanation or at least one that I can understand. In the Bill before the Committee, proposed section 33B refers to agreements between medical practitioners and the board. It then talks of the power of the Minister for Health to

interfere with those agreements. It has been said a hundred times that in the terms written into that clause, such a power by the Minister makes a mockery of any form of agreement entered into by the Minister and by the board, yet we are now told that subsection (2) of the proposed section 33B has been modified as a result of the agreement which Mr Williams has read to the House.

Hon. PETER DOWDING: I shall explain as simply as I can the point made by the Hon. Phil Pendal. Nothing derogates from the words of proposed section 33B. The words of proposed section 33B stand, and they stand as the result of the proposal to amend the Act. Proposed section 33B will therefore be on the Statute books, subject to its passing this House, and subsection (2) of proposed section 33B will also stand; that is, the Minister will by Statute have those powers.

The point made by the Hon. John Williams, and the point that I made, is that the performance by the Minister of his powers under proposed subsection (2) are modified by the agreement which has been read into *Hansard* by the Hon. John Williams, and which is the subject of an agreement by the professional body representing the doctors and the Minister, and that is—

> Matters in section 33B on the subject of ministerial direction shall be effected only after consultation with the hospital board and a properly constituted medical advisory committee of that hospital. Since section 33B deals with technical aspects and private medical service, medical advisory committees will also be constituted under by-laws of the hospital.

In other words, the professional body is satisfied that in that way the mechanisms of proposed section 33B(2) will be fairly exercised in a way which the profession is prepared to accept.

Amendments put and passed.

Clause, as amended, put and passed.

Clause 9 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. Peter Dowding (Minister for Mines), and returned to the Assembly with amendments.

ACTS AMENDMENT (ASBESTOS RELATED DISEASES) BILL

Second Reading

Debate resumed from 30 November.

HON. G. C. MacKINNON (South-West) [1.02 a.m.]: This is a very complicated situation made more difficult by the fact that it has behind it a very hard situation of people who suffer terribly because of industrial complaints. It was with that in mind that the previous Attorney General set up the necessary inquiry by the Law Reform Commission. Its report was produced in 1982, addressed to the then Attorney General, the Hon. I. G. Medcalf. It is fair to say that the previous Government's ideas were of fulfilling the terms of that report, but they were slightly at variance with those of the present Government. However, the end result would probably have been similar.

The key, as the present Attorney General said, is that the people involved and their organisations have argued for some time they should also be able to pursue common law claims in negligence. But, of course, such actions should have been instituted within six years of the cause of action occurring. In many cases that was not possible. The Minister said the symptoms frequently do not become apparent for at least 12 years, and this period is known as the latent period. A disease such as asbestosis is referred to as a latent disease. Sufferers are almost always barred, as the Minister said, by Statute.

An urgent report was requested in 1982, and that was produced.

There is also the very serious problem of what constitutes negligence. When asbestos mining officially started in Western Australia it was of a fairly new type of asbestos, a grey material. Most of the mining previously had been of white asbestos. It was believed at that time that the asbestos here did not cause problems to the same degree as white asbestos.

Nevertheless, as early as 1948, Dr Eric Saint wrote to the Public Health Department, and on that occasion he said—

> If nothing is done about this problem here—

That is, at Wittenoom. To continue—

> —we will see an epidemic of disease greater than imagined.

At that time, Dr Saint was an English doctor who had come here with several other doctors to work for the Royal Flying Doctor Service. He was subsequently a foundation professor in Queensland, and then he came back here as Professor Saint, Dean of the Medical Faculty of the University of

Western Australia. Nowadays, he is a very eminent man. It was my pleasure to work with him when I was the Minister for Health, and I came to know and to like him very well.

The unfortunate thing about so many warnings like this was that the only people who believed them were those in the Department of Public Health. The mining company had serious doubts; it had no records, and no proof to go on. The local government authority, which, in effect, had become the mining organisation, had no proof to go on; it had grave doubts. The people working in the industry, probably through fear of losing their jobs, did not believe it either.

Until the 1960s, the Department of Public Health was the only body to believe the warnings. Indeed, when I became the Minister for Health in 1965, I opened the Wittenoom Hospital in one month and closed it in the next.

By that stage, some discoveries in South Africa, verified by Dr McNulty, who is now the Commissioner of Public Health, indicated a distinct relationship between asbestos dusting and mesothelioma, a very troublesome form of carcinoma.

By that time, the immediate problem relative to the lung condition had also been discovered; but it did not appear to be as bad as silicosis. There was a very marked difference from the silicotic condition. The percentage of dusting remained stable, whereas in the asbestosis condition, it developed and grew. As a crude way of putting it, if a person were dusted with silicosis and left, he would remain at that standard and, perhaps, live life suffering from that degree of disability, as did Jimmy Garrigan, a member of this House for many years. He remained reasonably stable in his pneumoconiosis, and he could still make a speech, albeit a limited one, because of his breath capacity. However, if one contracts asbestosis, one's death warrant has been signed, in the fullness of time and with hindsight. One might die of other causes before dying of asbestosis; but in an Irish sort of way, if one lived long enough, one would die of asbestosis in the fullness of time because it is a progressive disease.

However, this was not known in 1948. If it was known, it was known by suggestion by Dr Eric Saint. Work was done, and continuous observations were made; but it made the problem of proving negligence a difficult one. I am pleased that the modern trend is to waive that requirement, and quite rightly so.

If any proof were wanted of the difficulty of convincing people of the dangers, I assure the House that as recently as four years ago I accompanied another Minister—I was the Minister for Works at the time—to try to persuade the people to leave Wittenoom. As every member who can read a newspaper would be well aware, we met very serious difficulty in persuading people to take that step. We even asked them to take the children away. By their very nature, of course, the children were much closer to the ground than adults. The tailings from asbestos had been spread far and wide over the area around Wittenoom, and tailings had been washed down in every flood.

During my incumbency as the Minister for Health, the Commissioner of Public Health (Dr Davidson) issued the dire warning that the education people were spreading asbestos tailings in the school yard in the mistaken belief that it offered a pleasant area on which to play. There was no grass and the tailings were more comfortable than the bare and broken ground of Wittenoom. Of course, it was a very serious matter to expose little children to that sort of hazard.

However, it was a matter of suspicion; it was not a matter of proof. That was pointed out by everybody associated with the town. The warning was laughed at by some, derided by others, and not taken terribly seriously by far too many people.

Many stories abound about the girls who used to paint the faces on luminous watches and lick the little brushes that they used to put on the luminous material, and later suffered from cancer of the lips. We have heard of the Curies who exposed themselves to so much radioactivity during their experiments that, even with their genius, they both died of radiation poisoning. There is nothing new about this sort of thing.

Members ought to be aware that this is not the sort of situation in which one can lay the blame or point the finger, because there, but for the grace of God, go I, in any one of those situations.

Everyone working for the company at Wittenoom was suspect. Indeed, a very valued member of the Department of Public Health, who came from a storeman's position in Wittenoom to work in the department, and who rose to quite a responsible position in the department, died only a couple of years ago from asbestosis.

This conglomerate of amendments to Acts is aimed at ensuring that people in that situation can seek relief. As Mr Berinson pointed out in his speech, the parent company of the company that actually did the mining was CSR Limited, a very wealthy company, one might say.

Like all companies today, CSR is owned by a myriad of people. While there might be some

wealthy shareholders who could well stand a reduction in their dividends, I have no doubt that an equal number of people of straitened means would depend entirely on such dividends to make their lives bearable. Is it right and proper that they should be called upon to pay? I happen to think not. Indeed, as Mr Berinson said, retrospectivity in all matters must be approached with very real caution. The company, Midalco Pty. Ltd. which was actually doing the mining of Wittenoom is currently worth approximately $337. Obviously in those situations the Government takes up the challenge. Were any of a number of comparatively small insurance companies carrying the load, they would immediately go bankrupt with the threatened exposure to a possible indebtedness of anything up to $30 million.

Therefore, both the previous and the current Governments saw the need to share the cost with the SGIO. In that way, the matter can be dealt with. The previous Government decided to set up a fund as one of its options, and pay people out of that. It had some advantages in that there was not the need to prove any degree of negligence or blame. The course opted for by this Government is different in that negligence must be proved and the degree of liability has been limited to $120 000. That is fair enough, when the claims are extensive and go back a long way.

It must be remembered that, in some cases, workers' compensation has been paid in such amounts as may have been considered reasonable at the time. A person who received a slight dusting would be unwise to smoke cigarettes—he may have smoked anyway—and it may have been awkward for him to run fast or do heavy work. Nevertheless, at the time he was probably compensated adequately.

The trouble with this awful thing is that it grows and, of course, long after the benefits of the workers' compensation payment which might have been quite adequate at the time are exhausted, a person can find himself in a parlous state indeed, dying of mesothelioma.

I do not know whether other members are familiar with people to whom that has happened, but I am. As Mr Berinson has pointed out, even at the limited rate, the SGIO would be unable to satisfy the claims out of its own resources.

The Attorney said also that it has been disturbing to observe the apparent assumption that an amendment to the Limitation Act will ensure the recovery of damages by all persons affected by asbestos-related diseases. That is not a safe assumption, because each case will go on its own facts and merits and will have to satisfy the usual negligence criteria. He goes on to say—

> Two cases that I am aware of on the asbestos-related disease of mesothelioma have already failed, despite being treated as not Statute-barred.

That is an example of what the Government has undertaken, and yet the Government also has a responsibility to the taxpayer. The privy purse is not a never-ending source of finance and the Government must be aware of this.

Common law insurance cover for the Wittenoom mining operation was unrestricted only as from 1 January 1959. Before that, insurance cover was limited to $2 000 in any single case. That is a rather small amount and I am sure our sympathy goes out to all those who have suffered in this regard.

CSR Limited has previously committed itself to contributing $2 million and has added another $1 million to that. One could argue that it could well afford to contribute more. Alternatively, I suppose the company would argue that, bearing in mind the time span, it is doing what it thinks is reasonable under the circumstances.

It cannot be pointed out firmly enough that even prior to Professor Saint's historic letter, a number of people must have suffered some damage. I think crocidolite is the correct technical term for the mineral and, as it has turned out, crocidolite has proved to be infinitely more vicious in its effects than white asbestos, and the like.

I have been requested to ask some questions of the Attorney and I should like to put them on record. One relates to the determination of the $120 000 limit. The question is asked as to where and how it was arrived at. It is argued that the figure could well be below the true economic cost of such a disability over the lifetime earnings of an individual, and that goes without saying. I think the Attorney's answer will probably be that a figure had to be arrived at which excluded some of the huge payouts awarded by courts, which run into millions of dollars, and which would even bankrupt the nation, let alone the State. However, I was requested to ask the question. Any suggestion that the Government have access to company assets in a bid to pay compensation damages would be opposed. I do not think there is any indication on the part of the Government in this legislation that that crossed its mind.

It is suggested that the SGIO, which is currently charged with compensation responsibilities, could do a better job than could a new authority to be created. What is suggested here is that the SGIO be given the authority to

look after the matter, rather than a new authority being created. Perhaps the Attorney could comment on that.

Hon. J. M. Berinson: I am not sure I understand the point that is being made.

Hon. G. C. MacKINNON: I am not sure I do either. I wonder where the person got the idea that another authority is to be set up.

Hon. J. M. Berinson: There is no suggestion of a different authority.

Hon. G. C. MacKINNON: Perhaps he is thinking that there may not be a suggestion that the SGIO ought to do it. Incidentally, the gentleman who wrote this also indicated there was a need for clarification of *ad hoc* compensation which was the third consideration listed in the Attorney's speech. Quite frankly, I am not sure what he meant by that either.

Mention is made of the Government's lack of capacity to pay, and obviously someone has to pay. The gentleman who wrote these questions does not appear to have read the Bill in detail, because the Government made no such claim in either the second reading speech or the Bill. Indeed, the Government has done the reverse. It has pointed out that the SGIO might have some difficulty in paying and that Midalco might have some difficulty in paying, but there is no expectation that the Government would have any difficulty in meeting its share. It is fair enough that the SGIO should pay a proportion and the Government should pay a proportion. In the event, despite the recent amendment to the SGIO Act, the Government will probably pay the bulk of the amount.

It has been suggested that perhaps the levy of a proposed resource rent tax might be used to make the compensation more generous. I would think that would even make Mr Les McCarrey blanch a little.

A final general comment is that the overall thrust of the proposal should be endorsed, with minor modifications. In general, the Government has a role to provide occupational health, safety, and welfare legislation.

Despite the questions asked by this inquirer, he in fact blesses the legislation and wishes it well.

I also have these other inquiries to place on the record. I quote as follows—

> Although the current legislation affects only Asbestos-Related Diseases, the Attorney-General in his Second Reading Speech stated that he intended to ask the Law Reform Commission to give further consideration to questions related to latent diseases generally.

I can find little complaint with that provided some action is taken, because we have found that latent diseases, particularly asbestosis, are so horrifying, that if anything showed up later, this action would be the natural corollary. To continue—

> The implications of this precedent and its extension to other latent injuries/diseases are enormous.

Any responsible Government would have to give consideration to that. No people in the world who knew where their hearts were could be ungenerous, although I have no doubt that some countries would find this level of generosity horrifying to their Budget capacity. We can afford it, so it is therefore reasonable for us. To continue—

> The allowing of retrospective claims where no provision for contingent liability exists has grave consequences for premium setting and could destabilise the Workers' Compensation insurance structure already under considerable pressure.
>
> The concept is totally unacceptable and should be resisted.

I would hope that at the appropriate time the Attorney might mention that this has been placed in the other Act and that it is worded the way it is in order to remove it quite clearly from the ambit of the legislation so that the extra cost will not be restricted through premiums paid by industry now or in the future for ordinary industrial activities.

As many members of the House would be aware, for a long time now I have been in favour of splitting the Workers' Compensation Act in two and putting industrial diseases such as pneumoconiosis, silicosis, asbestosis, mesothelioma and the like into a separate Act for that very reason. I continue—

> Should the Government be determined to yield to pressure and provide some level of compensation to genuine sufferers on a one off basis, then it should establish a Special Fund to provide for same on a needs basis.

I interpolate again to say that this provision was in the process of being implemented by the previous Government. It had some difficutlies, but then every system has some anomalies and difficulties. The present Government has elected to go this way, and I have no argument with that. To continue—

> Alternatively, the Government could examine the establishment of a General Fund to which all employers could contribute.

This piecemeal approach is an unsatisfactory short term response and is not dealing with the situation appropriately or adequately.

No indication has been given of the source of funds to be used to pay claims by the S.G.I.O. The Chamber considers that identification of the source is crucial, as should the general Workers' Compensation Fund be debited it would affect premium levels which would make the S.G.I.O. non-competitive.

The Minister made it clear he expects the Government to pick up a fair amount of the tab. To continue—

If the Industrial Diseases Fund, which is totally funded by the mining industry—which has no asbestos mining history—is utilised then the burden would fall unfairly and the industry would be disadvantaged.

The industry would strongly object to this alternative.

It is my understanding that this matter has not been discussed at a senior level.

I do not know about that. It then refers to the maximum amount of $120 000—

What is the basis for this figure?

Will it be indexed?

Given that claims may emerge for a further thirty years or more how will provision be made to adjust it upwards?

The next piece refers to the legal process—

How will negligence be proven?

Will various judges decide on case merits or will the first successful case become the precedent?

What is the position of those who cannot successfully show negligence?

I think there could be some people now who cannot successfully show negligence, and the Minister quoted two cases which had failed. To continue—

If a sufferer evidences the disease and can demonstrate some working period in asbestos mining—

need he prove negligence?

That is a good point.

Hon. J. M. Berinson: The answer is "Yes".

Hon. G. C. MacKINNON: To continue—

will equity prevail?

What is the status of sufferers who were not covered by workers' compensation and incurred the disease?

What are the legal cost implications of the common-law approach?

It is a few years now since I was closely involved with asbestos mining, but the odd thing is that the disease struck people in peculiar ways. Frequently at the face of the mine the area was wet because a lot of water was used, so the people working there were at minimal risk. However, back at the milling plant where the asbestos had to be crushed, particularly in the early days before exhaust fans were widely used, the dust was quite extensive. It had to be dry back there so that it could be blown and separated. Frequently the damage done to people right outside the working place was worse. The dust in these areas could be quite horrendous. So it was that the people at the inside at the mine face were at less risk than those who were outside where the dust was being blown about. Fortunately, visitors have no need to fear, because people must be subjected to the problem for some time to be in danger. If any member is thinking of going up to look at this picturesque spot of Wittenoom, he should not hesitate—but do not lie on the ground for a month or two if there are any asbestos tailings lying about.

There are some amendments on the Notice Paper. At the Attorney General's invitation, I spoke with a Mr Stephen Smith, who was very kind. The Attorney had offered to have him come up here, but I did not avail myself of that offer and rather spoke with him on the phone, because both he and I were busy. He explained to me that the amendments which have been prepared since are to clarify the situation.

It is a complicated piece of legislation and I have not presumed to go through it to check every dot and comma. It is the sort of legislation which no doubt will require anomalies to be ironed out and corrections made over the ensuing years. I have long since learnt not to regard any piece of legislation as perfect. The amendments are evidence of the care that has been taken with this measure. Mr Smith explained them to my satisfaction. Indeed, the most complicated one is really a limiting clause to ensure the total amount in any case, which is to be $120 000, does not include damages in respect of pecuniary loss. So it is a limiting rather than an expanding clause. I do not think there is anything else I am obliged to say.

The report is extremely thorough. It goes through quite a number of options in great detail before putting forward those it is believed are best in the circmstances.

In the end the Government has chosen a slightly different approach from that of the previous Government. The end result has been to try

to ensure those people who have suffered seriously from an industry which was at one time considered to be just another mining activity, will be able to receive some benefits now that it has been discovered those people were so sorely smitten. To do this it is necessary to amend several Acts: The Limitation Act, the Crown Suits Act, the Fatal Accidents Act, and the Local Government Act, as stated in the preamble to the Bill, and the Law Reform (Miscellaneous Provisions) Act, to which reference is made in the proposed amendment. These amendments will ensure that the time lag between being affected by the disease and the knowledge that a person has the disease is not subject to the Statute of limitations. I have recommended to my colleagues that we support the legislation.

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [1.37 a.m.]: I thank the Hon. Graham MacKinnon for his support of the Bill and for his interesting and helpful comments. He listed quite a number of questions, and I hope he will not mind if I start with a general statement, which I have prepared for other purposes but which I think will cover at least some of the matters he raised.

As honourable members will know, I introduced the second reading speech on 30 November. In the course of my comments then I made a number of points relating to the legal and practical difficulties facing prospective plaintiffs suffering from asbestos-related diseases. In particular, I said the following—

> Frankly, it has been disturbing to observe the apparent assumption that an amendment to the Limitation Act will ensure the recovery of damages by all persons affected by asbestos-related diseases. That is not a safe assumption at all. Each case will go on its own facts and merits and will have to satisfy the usual negligence criteria. Two cases that I am aware of on the asbestos-related disease of mesothelioma have already failed despite being treated as not statute-barred.
>
> It is not for me to predict what other cases on other facts, and even other diseases, might produce. The least that must be said, however, is that this is an area for some restraint in terms of expectations.

I also said this—

> Added to any legal hurdles is another practical insurance problem. This arises from the fact that common law insurance cover for the Wittenoom mining operation was only unrestricted as from 1 January 1959. Before that, insurance cover was limited to $2 000 in any single case.

In the above circumstances members will appreciate the significant difficulties facing prospective plaintiffs suffering from asbestos-related diseases. In summary, these might be described, firstly, as the requirement to prove negligence; secondly, if negligence is proved, the ability and likelihood of the defendant being able to satisfy an award of damages; and, thirdly, if the defendant cannot satisfy the claim, the likelihood of an insurer being liable for that claim.

As I have indicated, it is by no means certain that plaintiffs will be able to establish negligence. Moreover, the most common defendant in regard to the mining operations at Wittenoom is Midalco Pty. Ltd., the assets of which are at present $337. The relevant insurer is the SGIO, but up to 1 January 1959 its insurance was limited to $2 000. It follows that any prospective plaintiff will need to bear these factors in mind before commencing an action.

At the Press conference I held immediately after delivering the second reading speech I emphasised the difficulties and requested the media in the course of their reporting to take care not to raise the expectations of asbestos-related diseases sufferers. I expressed the same caution when I met with the representative organisations. It is therefore disturbing that a report which has been drawn to my attention creates a misleading impression as to the prospects of bringing successful claims. The report contains the following comments—

> . . . the Statute of limitations prevented further action against the Wittenoom company, C.S.R.
>
> But under legislation introduced into Parliament this week, victims can make retrospective claims for compensation up to $120 000—to be paid by the Government.

Hon. G. C. MacKinnon: I saw that report, and that part was what alarmed me too.

Hon. J. M. BERINSON: That comment was part of a report on a former Wittenoom worker, who had worked at Wittenoom prior to 1959. The clear impression given in the report was that he could expect, almost by way of grant, to receive from the Government $120 000 less any payments received for workers' compensation. That is clearly not the case. A person employed at Wittenoom before 1959 would have to establish negligence. The appropriate defendant would no doubt be Midalco Pty. Ltd., whose assets are as indicated merely nominal, and the SGIO's liability as an insurer would be limited to $2 000.

A plaintiff in that position would need to think very carefully before instructing his solicitor to sue. I have made it clear that the SGIO will defend claims as would any insurance company. As members know, the SGIO is required to operate as an insurance company on an ordinary commercial basis.

Asbestos-related diseases plaintiffs should not be led to expect that this Bill will entitle them to a payment from the Government of $120 000 less workers' compensation. Like any other plaintiff they will have to establish a cause of action. They will then face the further difficulty of executing any judgment against a defendant which has next to no assets, and perhaps limited insurance.

I take this opportunity to again urge the media to be careful in their reporting of this Bill. I also suggest that members be careful in the way in which they respond to relevant inquiries from their electors. This is a tragic situation, and the last thing we should do is to encourage false expectations.

My comments so far will have answered a number of the queries put to me by the Hon. Graham MacKinnon. I go on to discuss one or two others.

The question was asked as to how the limited recovery of $120 000 was arrived at. It must be conceded that that is an arbitrary limit as any limit would be. The difficulty was to arrive at a figure which, on the one hand, was financially responsible, and, on the other, would provide a worthwhile amount of damages for a successful plaintiff. The amounts recovered will actually be the difference between the amount of any award and the payment obtained from workers' compensation.

At the moment the prescribed amount—that is, the limit of the amount under the Workers' Compensation Act—is getting close to $70 000. Retrospective claims by persons affected by these diseases, and still currently entitled to workers' compensation, would therefore ensure the possibility of recovery of an additional $50 000.

It is suggested that that is an amount which would justify the trouble, the cost, and the risks of taking legal action. Other persons would be affected whose workers' compensation entitlement cut out some years ago. In those cases the potential maximum recovery, even under the restricted figure of $120 000, will be considerably greater.

A further question was asked as to whether the cost of these retrospective claims will be charged against those companies which now contribute to the industrial diseases account of the SGIO. I think the answer to that clearly emerges from my explanation in introducing this Bill, when I indicated that the SGIO could not from its own resources be looked to to meet any substantial degree of success by claimants. As a rule of thumb, I would expect that the SGIO, as the insurer, would meet the legal costs of contesting actions, and it does have the capacity out of established reserves and its normal margin of profit to meet some claims as they arise.

Again, only as an indication, I suggest that that would probably not exceed $1 or $2 million a year. It is not proposed that the premiums of companies contributing to the industrial diseases account should be raised so as to cover any claims outside the limits I have indicated. Should more substantial claims arise, they will be a matter for Government contribution. No provision has been made for indexation of the $120 000 limit. The reason is that that limit would apply for only another three years, since the limit applies only to those persons whose claims would have been Statute barred by 1 January 1984. Their period is extended by three years. It is thought to be reasonable that over that relatively short period a provision for indexation can be omitted.

Just to remind the House of the position of claims arising after 1 January 1984, they will be treated as prospective claims; they will not be subject to the $120 000 limit. It is thought in the latter case, however, that the SGIO in its normal operations should be able to meet the claims as they arise. It is true that on one calculation—this is purely a theoretical mathematical analysis and nothing more—a further 300 claims could emerge. That estimate has been based on the possibility of instances of these diseases continuing to emerge for another 30 years. Taken on average, the calculation looks to perhaps an additional 10 cases a year over that longer period, and in the normal course of events that should not be beyond the capacity of the SGIO to meet.

I refer now to the amendments that have been listed for consideration. I thank the Hon. Graham MacKinnon for his explanation of them, which will obviate the need for me to go through them in detail. With one exception, these amendments, although lengthy, are purely intended for the purpose of clarifying the Bill as originally presented. I cannot remember whether I made the point in the second reading speech, but I certainly made the point in discussing this matter with the representative organisations at the time, that while the issues are not so complex, the legislation to implement them really is very complex. It was clear, even on the day I presented the Bill—I might add it was then already in its fifth draft—that further amendments would be necess-

ary because of the constraints of time and the anxiety of the Government to meet its commitments to introduce relevant legislation in this session. I presented the Bill at that time, aware of its need for further amendment.

As I have said, with one exception, all these amendments simply go to clarify the provisions in the Bill as printed. The one exception relates to the item headed "PART V—LAW REFORM (MISCELLANEOUS PROVISIONS) ACT 1941-1982".

The reason for that is that the Bill in its original form amends the Fatal Accidents Act so as to apply the limited recovery of $120 000 to the dependants of deceased disease sufferers in the same way as it would have applied to the affected persons themselves had they lived longer. However, in the case of a deceased person, where a claim for negligence is made, a claim can be approached in two ways. One is by way of the Fatal Accidents Act, which is open to dependants, and the other is by way of the Law Reform (Miscellaneous Provisions) Act, which opens the way to a claim by the estate of a deceased person.

Interrelated provisions between those two Acts prevent doubling up. It is proposed by the addition of this new part V that exactly the same principles will apply to the estate of a deceased person under the Law Reform (Miscellaneous Provisions) Act, as apply to dependants under the Law Reform Act.

With that explanation, which I hope is satisfactory to the honourable member and to the House, I commend the second reading.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. John Williams) in the Chair; the Hon. J. M. Berinson (Attorney General) in charge of the Bill.

Clauses 1 to 4 put and passed.

Hon. J. M. BERINSON: Mr Deputy Chairman, could I, through you, ask the Hon. Graham MacKinnon whether he would have any objection to our taking all listed amendments together in the manner adopted in other Bills?

Hon. G. C. MacKINNON: I have no objection. I think it might be as well if the Minister explained the reason for the proposed amendments. I would be happy to see those amendments incorporated in the Bill after I have heard the Attorney General's explanation of them. The final amendment to the new clause will have to be taken separately.

The DEPUTY CHAIRMAN (Hon. John Williams): The Attorney General has sought leave of the Committee to deal with clauses 5 to 11 in a global fashion. Is leave of the Committee granted to deal with those clauses in a global manner?

Leave granted.

Clause 5: Section 47A amended—

Clause 6: Principle Act. Reprinted as approved 14 April 1971—

Clause 7: Section 6 amended—

Clause 8: Principle Act. Reprinted as approved 13 April 1976—

Clause 9: Section 7 amended—

Clause 10: Principle Act. Reprinted as approved 24 June 1983. Amended by Act No. 6 of 1983—

Clause 11: Section 660 amended—

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

Clause 5, page 8—Delete new subsection (8) and substitute the following—

(8) After the coming into operation of the amending Act—

(a) a notice may be given;

(b) an action may be commenced; or

(c) consent may be given, or leave may be granted, to bring an action,

in accordance with subsection (5) or (7) of this section notwithstanding that the period of limitation applicable before the coming into operation of the amending Act in respect thereof had expired before the coming into operation of that Act.

Clause 7—Delete new subsection (7) and substitute the following—

(7) After the coming into operation of the amending Act—

(a) a notice may be given;

(b) an action may be commenced; or

(c) consent may be given, or leave may be granted, to bring an action,

in accordance with subsection (4) or (6) of this section notwithstanding that the period of limitation applicable before the coming into operation of the amending Act in respect thereof had expired before the coming into operation of that Act.

Clause 9, page 11, lines 6 to 13—Delete the passage "that, at the time of his death,

the person in respect of whose death the action is brought may (if death had not ensued) have been barred by the expiration of a period of limitation from maintaining an action in respect of the act, neglect or default by which his death was caused." and substitue the following—

that—

(c) at the time of his death, the person in respect of whose death the action is brought may have been barred by the expiration of a period of limitation from maintaining an action in respect of the act, neglect or default by which his death was caused; or

(d) the period of 6 years applicable under subsection (2)(c) of this section may have expired before the coming into operation of the amending Act.

Page 11, line 26—Insert before the subsection designation "(2)" the passage " (1) or ".

Page 11, lines 29 and 30—Delete the passage "(if death had not ensued)".

Page 12, lines 4 and 5—Delete the passage "would (if death had not ensued) have been" and substitute the word " was ".

Pages 12 and 13—Delete new subsection (5) and substitute the following—

(5) Where in an action brought under this Act in respect of a death that—

(a) resulted from a latent injury that is attributable to the inhalation of asbestos; and

(b) occurred on or after the coming into operation of the amending Act,

it is proved that the damages that would (if death had not ensued) have been recoverable by the deceased person in respect of the act, neglect or default by which his death was caused would, by reason of the amending Act, have been limited to damages in respect of pecuniary loss and a total amount in any case of $120 000, then damages shall not be awarded under this Act except in respect of pecuniary loss and the total amount of the damages awarded shall not in any case exceed $120 000.

Clause 11, page 15—Delete new subsection (6) and substitute the following—

(6) After the coming into operation of the amending Act—

(a) a notice may be served;

(b) an action may be commenced; or

(c) leave may be granted, to commence an action,

in accordance with subsection (3) or (5) of this section notwithstanding that the period of limitation applicable before the coming into operation of the amending Act in respect thereof had expired before the coming into operation of that Act.

In general the rewording of this Bill is to make allowance for the fact that in some of the Acts there are requirements that notice or consent be given. Consent applies to the Crown Suits Act and that is covered specifically by paragraph (c) which provides that notice be given in the time limits under the Fatal Accidents Act. These amendments cover all the possibilities in all the amended Acts.

Hon. G. C. MacKINNON: I thank the Attorney for his explanation. As I understand it, the amendments cover all possible eventualities and variations in relation to tribunals, etc. I may be wrong and the Minister may correct me, but it was felt that clause 5(8) really did not cover the situation and the amendment to clause 5 provides that action may be commenced immediately. Is it correct that the clause has been widened to cover all possible eventualities?

Hon. J. M. Berinson: That is correct.

Hon. G. C. MacKINNON: In that case I would like to thank the Attorney for his co-operation in handling what is a simple matter. I do not suppose that the people suffering from this disease find it simple. Nevertheless it is a simple problem to resolve. It is a complex piece of legislation to accomplish the solution and I thank the Minister again for his co-operation.

Amendments put and passed.

Clauses 5, 7, 9, and 11, as amended, put and passed.

Clauses 6, 8, and 10 put and passed.

New clauses 10 and 11—

Hon. J. M. BERINSON: I move—

Page 13, after line 18—Add the following heading and clauses to stand as clauses 10 and 11—

PART V—LAW REFORM (MISCELLANEOUS PROVISIONS) ACT 1941-1982

Principal Act.

10. (1) In this Part the Law Reform (Miscellaneous Provisions) Act 1941-1982 is referred to as the principal Act.

(2) The principal Act as amended by this Act may be cited as the Law Reform (Miscellaneous Provisions) Act 1941-1983.

Section 4 amended.

11. Section 4 of the principal Act is amended in subsection (2) by inserting after paragraph (c) the following paragraph—

" (ca) where the cause of action arose from the suffering of a latent injury that is attributable to the inhalation of asbestos and it is proved that the damages that would (if death had not ensued) have been recoverable by the deceased person would, by reason of the Acts Amendment (Asbestos Related Diseases) Act 1983, have been limited to damages in respect of pecuniary loss and a total amount in any case of $120 000, shall not include damages except in respect of pecuniary loss and the total amount of the damages recoverable shall not in any case exceed $120 000; ".

Hon. G. C. MacKINNON: I ask the Minister to indicate if I am correct in my assumption that this is a safeguard in limiting the expenditure to $120 000 in order that the cost factor does not exceed the figure allowed.

Hon. J. M. BERINSON: I referred to this clause in my reply to the second reading debate. The amendment is designed to impose the same limitations as to maximum award in respect of claims by deceased persons as would have applied to affected persons had they lived longer or to dependents if they claimed under the Fatal Accidents Act.

New clauses put and passed.

Title—

Hon. J. M. BERINSON: I move an amendment—

Page 1—Insert after the numerals "1959-1973" the passage " , the Law Reform (Miscellaneous Provisions) Act 1941-1982 ".

Amendment put and passed.

Title, as amended, put and passed.

Report

Bill reported, with amendments, and an amendment to the title, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. J. M. Berinson (Attorney General), and transmitted to the Assembly.

FINANCIAL INSTITUTIONS DUTY BILL

Second Reading

Debate resumed from 30 November.

HON. G. E. MASTERS (West) [2.01 a.m.]: Once again a massive piece of legislation has been brought forward by the Government and is apparently to be bulldozed through this House at 2.00 a.m. It seems the Government is intent on forcing the legislation through, regardless of the fact that the public have had very little opportunity to consider the Bill or to understand what it is all about.

Our information from financial institutions and people in the business sector, as well as from the general public, indicates there is very little understanding of what the legislation is about or the horrendous effects it will have on the community.

Hon. J. M. Berinson: Is it understood that in principle it is almost the same as that applying in three other States?

Hon. G. E. MASTERS: One would think it reasonable in the circumstances that this Government, with its policy of consensus, discussion, and responsibility, which has apparently gone out the window, would say, "Let us have a bit of time to talk about it". What has happened? The Government has brought the legislation forward and has ignored the public interest and the effect on the public and says, "Let them find out later". The reasonable thing to do would be to defer this legislation.

Hon. J. M. Berinson: Until when?

Hon. G. E. MASTERS: For a sufficient time to enable the public to understand it.

Hon. Garry Kelly: You would defer the whole programme if you had your way.

Hon. G. E. MASTERS: I am not trying to do that. If the Government wants to sit until Christmas, as appears to be the case, or until January, that is okay. It would be fair to leave this legislation on the Notice Paper for another week or two. That is a reasonable proposition and yet the Government will not do that; it has brought on the debate. We will respond as best we can bearing in mind this legislation has been put on us at short notice.

Hon. Peter Dowding: That is rubbish.

Hon. G. E. MASTERS: The Minister can make his speech in his own time.

Hon. Peter Dowding: No, I will interject and say it is rubbish.

Hon. G. E. MASTERS: I understand the Minister is getting agitated because what I say is true and he knows it. I know the Minister is embarrassed; of course he is, and he is squirming in his seat and is white in the face. He knows the Government is disgraceful in bringing forward this legislation at this hour and at this stage of the sitting without the public having a proper understanding, and with total contempt for the public.

The Bill was circulated to the financial community and to the areas that deal with business—and this is what the Bill is supposed to be about but is not—on 19 October and comments were requested.

Hon. Peter Dowding: Isn't that enough time for you to work it out?

Hon. G. E. MASTERS: We did not have access to the Bill on 19 October.

Hon. Peter Dowding: When did you first get a look at it?

Hon. G. E. MASTERS: A couple of weeks ago. We did not have a copy of the draft legislation on 19 October.

Hon. Peter Dowding: When did you get it?

Hon. G. E. MASTERS: I do not know. It was certainly not 19 October; it was some days later. On 19 October the financial institutions of Western Australia received a copy of the document and they were told their comments and suggestions had to be in by 31 October. That gave them seven working days.

Hon. Peter Dowding: You have had it at least a month.

Hon. G. E. MASTERS: The Government shows its contempt for the financial institutions as well as for the public. This is a bad day for Western Australia—a black day. This is the first new tax in 12 years; that is a matter of pride for the Government! The previous Government's record was one of abolishing death duties and gift duties, and progressive reduction in land tax and payroll tax. This Government has brought in a new tax and showed its utter contempt for the community by not discussing or negotiating on it and not being prepared to sit down and talk about it. It is a disgraceful and dishonest Government.

FID will affect every man, woman and child in this State, not the financial institutions; they will pass it on. It is not a tax on big business but a tax on the public of Western Australia who have been taxed almost out of existence by this Government. Little does the Government care. We must expect it will need to pay for its excesses—money spent on the Government advisers, cars, new offices and the like which adds up to millions of dollars. Members may laugh but it adds up to millions. The Government is raising over $38 million with this duty.

Hon. J. M. Berinson: That is not the net amount is it?

Hon. G. E. MASTERS: It is $21 million net because the Government is giving some back. The reason I say $38 million is that we are dealing with a duty which raises $38 million and which will affect every person in this State. That money is to be reefed off them and the Government is to get a net profit of over $20 million.

The Attorney General seems to take a great deal of pride in saying it is only $20 million or $21 million.

Hon. J. M. Berinson: I am trying to keep you accurate.

Hon. G. E. MASTERS: I will stay accurate. The Attorney should tell the public what the Government is doing. They will find out when it is too late and that is why the Government is rushing this Bill through.

The proposed duty is at a higher rate than that of any other State. Western Australia is taking 5c per $100. It does not sound much, but members who turn over their money and put their salary into different accounts will soon realise that it is gobble, gobble, gobble.

Several members interjected.

Hon. G. E. MASTERS: Members may laugh; they think it is funny to take this from the public without any consultation. The business sector has been in touch almost daily to ask what is going on. My colleagues will point this out as the debate proceeds during the night.

In Victoria and New South Wales, the duty is 3c per $100, and in South Australia it is 4c per $100. This State greedily is to take 5c per $100. It does not sound much but it adds up to millions of dollars out of the public purse. The duty is payable on all receipts of all financial institutions. The receipts include payments, repayments, deposits, subscriptions or credits of any kind. The institutions will include banks, private corporations, credit providers, management companies, Treasury in its capacity in some cases as a bank to money market operators, and financial providers.

We should not lose sight of another very important point. I can assure the Government that my colleagues will ensure that the Minister handling the Bill is given an opportunity to respond because we will be pinpointing specific areas. That

is an appropriate approach which will even help the honourable member to gain some inkling of what it is all about.

I refer specifically to charitable organisations where a duty will be levied. Even though a refund will be made I wonder whether the Government has considered what effect it will have on these groups for the Government to hold their money. Frequently these groups have very little money to spare and they need liquidity. The Government does not seem to care. The Bill also affects non-profit-making community interest groups and sporting clubs.

Hon. Garry Kelly interjected.

Hon. G. E. MASTERS: I suggest the honourable member talk to members of the charitable and sporting groups in his community and ask what they think of the tax. He may like to explain it to them if he can understand it himself.

Hon. J. M. Berinson: Have you an alternative means of finding this revenue?

Several members interjected.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order!

Hon. G. E. MASTERS: The Leader of the Opposition in another place has said he would get rid of this duty because he would not have the waste and excesses of the present Government. He is a better manager.

Hon. J. M. Berinson: Have you forgotten already the deficit you left us?

Hon. G. E. MASTERS: We left the Government with a bit of money in the kitty.

Several members interjected.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order!

Hon. G. E. MASTERS: There will be a multiple payment of duty on transactions for solicitors, accountants, and settlement agencies. In some cases the duty may be paid three times on conveyancing transactions. I am sure the Minister handling this Bill would himself pale at the thought of three payments on conveyancing transactions. He knows what I am saying is true, so he is not arguing.

The Government is silent on this point.

If a member has two or three bank accounts and transfers money between those accounts, duty is payable on those transfers. It is double duty. The Government has persisted with stamp duty on cheques, which stamp duty other State Governments have given away because they regard it as unfair. However, this Government continues to take and take. Members will be affected through their salary cheques, which in most cases will be paid into bank accounts. A duty will be payable. I, other members, and every person will be involved.

Everyone who uses modern methods of transacting money and handling cheques, credit cards and such like will be affected by the duty. Almost 95 per cent of people will be affected and, of course, that is the Government's intention.

Hon. Garry Kelly: It is a broadly-based tax.

Hon. G. E. MASTERS: Everyone must pay it. The Treasurer made a statement, probably during the debate, that the average wage earner—I suggest he is talking of someone earning about $15 000 a year—will pay 14c a week. On this side of the House we consider that to be a load of rubbish. According to our calculations, each family unit will pay a minimum of $1.50 a week. My colleagues will go into detail on that point at a later stage.

The additional costs applied to consumer items will be paid initially by transport companies, banks, shops, service stations and others. However, the people in business cannot afford to pay the additional tax. Therefore it will be passed on to their customers and, of course, it will cost the average man much more than 14c a week. The Government is being dishonest in suggesting that that is all the average person will pay. The Minister for Mines is not in the Chamber at the moment but I mention that it will affect the SEC and also the Metropolitan Water Authority.

We maintain that FID will have an inflationary effect and that it will affect the whole money market. In talking about short notice for members in this Chamber, I should mention that our short notice is insignificant compared with the short notice given to the business sector. I understand the duty will be payable very soon after the New Year. I wonder how the Government expects businesses to cope with these new methods in the early stages. The Government suggests the businesses can estimate and catch up later on, but that is not satisfactory for an efficient business running on computers and operating under very careful calculations of profitability and turnover. It is a hotch-potch way of doing business which is unfair on industry, business and commercial undertakings. I wonder whether the Government has estimated the effect on these organisations and how the returns will be made. I am referring to returns, forms, inspectors and the like, which are all an additional load on the private enterprise area, on businesses, and particularly on small businesses.

I have been contacted by the Australian Bankers Association which has said that this will

certainly increase the overall tax take of Government.

Hon. Peter Dowding: That is a pretty perspicacious observation.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order! The Minister shall not interject when he is not in his seat.

Hon. Garry Kelly: That is a very profound statement.

Hon. G. E. MASTERS: It is made by people much more intelligent than the member who interjected.

The association has said that the duty will encourage cash use. Of course it will and maybe that is not a very good thing.

Several members interjected.

Hon. G. E. MASTERS: The Australian Bankers Association is a very respected organisation and its members have a great deal of understanding about these matters. The association believes the duty will have a discriminatory effect and it will affect the means by which people pay accounts. It will increase the rate of interest. Every group is indicating that it wants more time for discussion. That appeal is being heard from many members of the community. However, the Government of the day gallops these things through and ignores those groups and organisations about whom we have been talking this evening. It does not worry about the practice of conciliation and consultation because it is not interested in how the duty will affect the business sector.

As far as building societies are concerned, this duty will certainly affect home buyers. It will result in higher charges, and it will have an effect on the societies. It will certainly have an effect on deals. Again, building socities ask for more time. The council has authorised money market dealers, who comprise another group which must understand the problem. They say there is too much haste. I ask the Minister responsible: What is all the haste? Why do we not put it off for a couple of weeks? Why do we have to go through it now?

Hon. J. M. Berinson: Do you really believe anyone will know more about it in two weeks' time than he does now?

Hon. G. E. MASTERS: Yes, I do.

Hon. J. M. Berinson: This is a duty which is well established in Australia and has been for a year.

Hon. G. E. MASTERS: The point the Minister is missing is that it is not understood here. People may be affected in the Eastern States—

Hon. J. M. Berinson: Are you saying, for example, that members of the Australian Bankers Association—

Several members interjected.

Hon. G. E. MASTERS: The mere fact that those organisations which one would think would have an understanding of the duty have themselves asked for more time is an indication that people who do not know it all will need help. That is the point I make. If these people say they want more time, it is perfectly reasonable that other people who have no idea at all should be given time to gain a reasonable understanding of what is going on.

A Government member: What time do you suggest?

Hon. G. E. MASTERS: I would say at least a couple of weeks, but possibly it should be next February.

Hon. P. G. Pendal: South Australia gave three months, I think.

Hon. G. E. MASTERS: That is right, but the Government here is being unreasonable.

It has been said that this will be an administrative nightmare. Why charge this duty to bodies which are creating liquidity and not credit? Credit unions—again, my colleagues will be discussing this in far greater detail than I—believe cheque duty should be abolished, yet this Government refuses to do that. It takes every cent it can because it needs it. It is overspending and it will end up with a deficit at the end of the year.

Hon. J. M. Berinson: What did you end up with?

Several members interjected.

Hon. G. E. MASTERS: There was money in the bin and members opposite know it. Let me continue. First of all, the credit unions believe that cheque duty should be abolished. I have made that point already, but I make it again as there was a lot of noise and I want to make sure it appears in *Hansard*. To take Mr Berinson's point, credit unions say they want more time to examine the legislation and improve it.

Hon. Peter Dowding: What do they want to do with it?

Hon. G. E. MASTERS: They want time to look at it and to understand it. However, the Government says, "Do you want that now or not? Make up your mind, you are not going to get more time".

The Retail Traders Association first of all seeks to be exempted; it does not wish to be a Government tax collector. It says the cheque duty should

be removed. It wants the rate reduced from 5c to 3c in $100. It wants more time to talk about it and to get the Government to understand.

Mr Pendal will deal with churches, charitable bodies and sporting clubs. They have suggested, as I understand it, that there should be a hold-back until next April.

Let us have a look at the broken promises of the Government. I do not know whether the Government would like me to go through its broken promises. I have done it so many times, but it is always worthwhile doing so again. In an advertisement brought out by the Government just prior to the election, statements such as these were made—

> Labor will seek to freeze Government taxes and charges during the period of the wage freeze; no increase in water rates; no increase in electricity charges; no increase in third party motor insurance; no increase in land tax; no increase in stamp duty; no increase in bus and train fares; no increase in rail freight charges; no increase in irrigation charges.

There may be a few more which it had not thought of at the time. Anyhow, that statement has caught up with the Government. That is the Government's performance. Again, it made firm promises to negotiate and conciliate, and it has broken those promises.

If the private sector had put that sort of advertisement in the paper, the Minister—we know what he is like—would have taken it to the courts and sued it for false promises. This is a case of outrageous deceit. We are getting used to it, however.

Hon. Peter Dowding: Have you another speech?

Hon. G. E. MASTERS: Yes, I have.

Hon. Peter Dowding: Or is this the one you use all the time?

Hon. G. E. MASTERS: It might eventually get that way, but I do like repeating the broken promises because it embarrasses members opposite.

Hon. Peter Dowding: It does not embarrass me at all.

Hon. G. E. MASTERS: It is necessary that the public understand what this Government is doing.

Several members interjected.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order! We will not have a debate between other members of the House. Members will stick to the subject, and the speaker will speak to the subject.

Hon. G. E. MASTERS: While I was waiting to continue, I turned to another advertisement which says, "Labor will attack unemployment and unfair prices. Read our positive plans". I will not embarrass the Minister by going through those promises. I think I have made my point, but I will at every opportunity read out those pledges on which the Labor Party turned its back the day after it was elected.

Increased taxes for the year came to something like 20.6 per cent. There was an increase of $98.1 million in departmental charges. Licensing fees were 30.6 per cent up at $90.4 million. The total was something over $300 million.

The DEPUTY PRESIDENT: Mr Masters, I believe that this is the Financial Institutions Duty Bill. It is not the Budget.

Hon. G. E. MASTERS: Thank you, Mr Deputy President; I appreciate your comments. What I was saying was that the duty is an additional impost on the public after all those increased charges, an impost on every man, woman and child in this State. Mr Piantadosi nods in support, and thinks it is a very good idea. The reason given, I suppose, is that it applies in every other State, so why should it not apply also in Western Australia?

Looking at the legislation again, I would say there was virtually no consultation, and 10 days' notice was certainly insufficient for one of the most complex pieces of legislation which has ever been introduced in my time in Parliament. It is unbelievable that this legislation, which will cause chaos in some areas, is brought in with such undue haste. It is a tax on all pensioners, widows, lone adults, the unemployed, parents and citizens' associations, child care centres, sporting clubs, and the like; I could go on and on. It is a charge on non-Government schools, on non-Government hospitals and on church organisations—all will be affected.

Certainly the Government says they can come back cap in hand and they might be given some of it back. But they cannot afford that; they need to use their money; they have nothing to invest to make a profit while they sweat it out. This is most unfair.

Again Mr Piantadosi says, "Tut, tut". I assume he agrees with it. Businesses large and small certainly will be greatly affected, perhaps more than anyone else. I suggest that the Government should be removing the duty on cheques and the like.

I intentionally made my remarks on this Bill in general. I certainly have not had sufficient time to study the legislation.

Hon. Peter Dowding: You have had it since October, and you have not had time to study it!

Hon. G. E. MASTERS: It is all very well for the Minister to say we have had plenty of time.

Hon. Peter Dowding: Isn't it pathetic?

Hon. G. E. MASTERS: The Minister would understand that when legislation is dealt with in the Assembly it may well be changed and it is not always possible—

Hon. Peter Dowding: You go around with your head in a sack.

Hon. G. E. MASTERS: The best place for the Minister for Mines' head is in a sack, if he can find one big enough.

Hon. Peter Dowding: But you can't ignore the fact that the Bill has been available to be read.

Hon. G. E. MASTERS: I certainly have not had adequate opportunity to study the Bill. When we refer to the fact that the public have not had a chance to look at the legislation the Minister will say, "That is your fault". I suggest that is a disgraceful attitude to take.

My colleagues intend to concentrate on specific areas and this will make the Attorney's job easier, because debate will not spread over wide-ranging areas. I know the Attorney will appreciate that this is a general speech, because it will make his job easier.

Hon. J. M. Berinson: This is a preamble to your colleagues' comments, is it?

Hon. G. E. MASTERS: We are not going to take this Bill lying down. It will have a serious effect on the public, but that does not worry the Attorney, who has been nodding, tut-tutting, and smiling throughout the debate.

Hon. J. M. Berinson: You happen to be quite wrong in that, because I have not made any comment in this debate, although the pitiful comments you have made invited me to do so. Nonetheless, I have resisted the temptation.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order! I ask the member to ignore the interjections.

Hon. G. E. MASTERS: The searching inquiries from my colleagues will require a great deal of answering and I say again that it is quite wrong of the Government to bring forward this type of legislation without a proper understanding. That is the point I have been making, and I have made it all night. It is wrong to ignore the public and community interest, but this is the tradition we will have to expect from the Government for the rest of the time it will be in office.

Hon. D. K. Dans: It will be a long time, too.

Hon. G. E. MASTERS: I would not count on that. The chalk marks are going up already. We urge the Government to take it easy in debate on this Bill and to let it proceed for the next two weeks, because we have plenty of time. Debate can go right up until Christmas and that would enable the public to listen to what was said and make their input, and those who are affected could come forward with proposals so that the Government can at least change some of the legislation.

HON. NEIL OLIVER (West) [2.38 a.m.]: What a very sad moment it is. I am fully prepared for this debate. I am quite happy to go on for two or three hours if it is necessary to do so. I do not want to put on a stunt such as that displayed by the Labor Party in respect of the Transport Workers' Union strike when it kept us here until 10.00 a.m. until it received a message from Leederville oval. I will not do that.

What I hope to do tomorrow is to explain the position, which Mr Dowding finds so humorous, to three deputations from three chambers of commerce which are coming to Parliament House. They had not heard much about the FID Bill until I made the information available to them. By the time those committees got their executives together and had general meetings—one chamber of commerce had its meeting at 7.30 a.m. yesterday—they wanted to know the details. I can assure members that when those deputations walk into my office tomorrow morning I shall be there to meet them. Indeed, I do not care whether the debate is still proceeding when the chambers of commerce arrive here.

Hon. D. K. Dans: You can bring them into the President's Gallery. They will get a better look.

Hon. NEIL OLIVER: I will be delighted to do that. What arrogance, what contempt, and what ignorance! The Goverment should forget about us—we are prepared. We have had the opportunity to look at this Bill.

Hon. Peter Dowding: Mr Masters has been telling us you are not prepared.

Hon. NEIL OLIVER: However, I also have a responsibility to my constituents.

Hon. Peter Dowding: You want to get your act together over there.

Hon. NEIL OLIVER: If Mr Dowding wants to interject, his interjections will be recorded in *Hansard* and I shall arrange for extracts to be placed in various monthly newspapers and periodicals which are circulated by the chambers of commerce.

If Mr Dowding wants to make any further interjections—I hope he does not, Sir, because

they are contrary to Standing Orders—I would like him to make them very loudly, because that will enable me to take them from the *Hansard* record. I hope the *Hansard* reporter records the interjections in a manner in which I will be able to pass them on in order that the small business people of this State will know what this Government thinks of them and will be aware that the Government has no interest in them. The Government is not interested in the opinions small business people in Western Australia might wish to express.

The information I have gathered here is based on my personal knowledge of the operation of FID in the other States. I hoped that I would be able to obtain a contribution from constituents, particularly from people who are members of chambers of commerce. However, that right has been denied me.

I was not aware that debate on the measure would proceed this evening. However, in view of the statements and interjections made by Mr Dowding and the acting Leader of the House, I shall pass them on to Mr Bruce Cullen, Vice President of the Federated Chambers of Commerce. Mr Cullen rang me here at approximately 4.40 p.m. today to tell me he would be here tomorrow. I shall obtain the transcript of the debate and we shall have a look at what the Labor Party had to say about this measure.

I shall make certain the Labor Party's attitude in this respect is well and truly published across this land, because not only has the Government introduced a tax which, in March, the Premier said he did not intend to introduce, but also it has introduced the tax at a level greater than that in any other State in Australia.

Hon. Tom Stephens: You left us a deficit greater than that in any other State in Australia.

Hon. NEIL OLIVER: The way this Government is going about raising its money, it will not have a deficit; in fact it would be running into a surplus if it were handling the taxpayers' funds in the proper manner.

Hon. D. K. Dans: We are handling them extremely well.

Hon. NEIL OLIVER: I think I have made it clear that I oppose the Bill.

Hon. Peter Dowding: It has taken you 20 minutes to get to that.

Hon. NEIL OLIVER: I had a great respect for the Hon. Roy Claughton, who used to speak for hours in debate. He sat where the Hon. Tom Knight sits now.

The DEPUTY PRESIDENT: Order! I do not believe the member has addressed the Bill yet.

Hon. NEIL OLIVER: I am sorry if I am straying from the subject.

Hon. D. K. Dans: Would you try to stray back onto it?

Hon. NEIL OLIVER: The point I shall make is that this FID will be a burden on every person in Western Australia.

This tax will be a burden on the school child taking his pocket money to the bank each week to start his savings. That is how far it goes. The greatest and wealthiest nations of the world in which the workers achieve the greatest remuneration are those nations whose people have the greatest savings.

No Government in the history of this State has ever risen to power on such a policy of deception; there is no other word to describe what has taken place since the present Premier, as the Leader of the Opposition, made promises prior to the election, and the subsequent actions of this Government. The Premier said in March that he had not considered the introduction of a financial institutions duty, yet we now have FID. It has been introduced to pay for all the Government's lavish election promises, to pay for its ministerial advisers, to pay for the money it has squandered because of the commitments it gave to the unions, and to pay for the granting of wage increases during the period of the wages pause.

The most interesting thing is that the Government has decided that this new duty should be imposed at 5c for $100, or .05 per cent. This compares with the .03 per cent in New South Wales and Victoria, and .04 per cent in South Australia.

Obviously there was some form of apprehension in the business community about the likely introduction of this duty. The business community would have been aware of the Labor States slowly introducing this tax, starting with New South Wales, then Victoria and then South Australia.

Hon. Tom Stephens: Don't forget Tasmania; it is the worst of the lot.

Hon. NEIL OLIVER: It is only natural that there would have been some apprehension. Many of the small business houses in our community when framing their budgets for this current financial year would have been concerned about the possibility of the introduction of FID. Inflation is another concern to them, because many of them are finding it difficult to cope with.

The Premier held off announcing the introduction of FID until the last minute, probably in the hope that the other Labor States

would increase their rate of tax so that he would not be embarrassed when he introduced his duty at .05 per cent. This Government is proving to be a tax pacesetter. The Acting Leader of the Opposition in this House listed some of the increases, and as he did so it occurred to me that because of them it is now dearer to be born or to die since the Burke Government came to office.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth) Order! I ask the member to keep to the Bill.

Hon. NEIL OLIVER: I am just highlighting the fact that the previous Leader of the Opposition, the present Premier, made promises before the last elections about not increasing taxes and charges, yet he is now the tax pacesetter in the Commonwealth. He has certainly earned that reputation.

This financial institutions duty cannot be looked at in isolation, but must be assessed in the light of the Government's promises not to increase taxes and charges and so increase the burden on the taxpayers of this State. We can provide a long list of taxes and charges that have been increased since the Burke Government came to office.

Hon. Graham Edwards: We could not believe the deficit you left, either.

Hon. NEIL OLIVER: During this debate continuous mention has been made of a deficit. Obviously members opposite have not been listening to their leader. I know they believe all wisdom shines from him. However, I do not know whether they read all the statements made by him; if they do they should be aware that he has explained the reason for a reversal in his statements on the operations of the short-term money market. That has been recorded in *Hansard*.

The DEPUTY PRESIDENT: Order! The Hon. A. A. Lewis will not conduct his own debate.

Hon. NEIL OLIVER: Premier Burke has said that justification exists for the adjustment of short-term money market dealings and that there are requirements to re-adjust the Budget. If I can recall his comments correctly, he said something to the effect, "In all honesty I must give it to the Opposition that I was a little unfair in my comments".

We now have this financial institutions duty introduced as a further burden on the people of this State. It will hit everyone in the community; it will include charities, non-profit sporting groups, and schoolkids.

This tax would be unnecessary if the Government had adopted more responsible economic strategies. The Government is using FID not as a broadly based tax to replace existing, less desirable taxes, but purely as a measure to raise significantly more revenue to feed its demands for more money.

I must pay credit for its repeal of stamp duty on advances in transactions duties under the Stamp Act, and I refer to section 112K. The Government realises I have often spoken on that tax, and I recognise that the Government has removed the tax. But there is a significant difference between the amount of money that will be forgone by the removal of that tax, which, according to the Minister's second reading speech, will be $16.2 million, and the imposition of the FID tax, less the section 112K duty, which will be $21.8 million in a full year. I congratulate the Government for its action in removing that duty, but the interesting point is that it has not bothered in the last nine months, in a period in which it is supposed to have been concerned about interest rates, to reduce the threshold. It still maintained the threshold at 17.5c in the dollar. The stamp duty of 1.8c makes the threshold an effective 19.3c. The Government had not altered the threshold. I must give credit to the Liberal Government because it kept the threshold continually under review. The Government might like to discuss with the Commissioner for Stamp Duties who previously was the Under Treasurer why the threshold was not adjusted regularly over the past 12 months.

How far will this tax go? People who by arrangement with their employer have their wages credited to a bank account, which I believe is the general manner in which salaries and wages are paid in these times, and who transfer those funds to other accounts such as an investment account, or make a Bankcard or personal loan repayment, will be subject to a series of continual, multiple duties. If that is not grossly unfair, I do not know what is. People who are saving will be taxed. Those savings provide the working capital about which the Minister who previously handled the last Bill spoke so much. He spoke of the requirement to marshal equity capital in Western Australia. One would think that the reverse situation to this tax should apply; people should be given a rebate if they put money into investment accounts.

If a working man were to put his money into an investment account at a reasonable interest rate, and not chase the high interest rates, one might think he should be given a tax rebate. But no, that will not happen under this Government; it will apply a penalty to people who want to save. This Government does not want anyone to save; it does

not want anybody to be independent in their own right.

The duty will be paid on the initial lodgment and on subsequent transfers on an increasing basis. As I have pointed out already, the Premier no doubt delayed the introduction of this measure so that he would not attract the political odium attached to bringing forward a new tax. He has broken new ground and he will attract that odium. He has done little to explain how the tax will work because, as I believe, there is nobody in Western Australia who knows how it will work.

The Government does not even know who will be able to seek exemptions. This tax will create chaos when it is applied. Yesterday morning's Press displayed an advertisement explaining the withholding tax. We already knew the whole situation in regard to that tax was totally out of control. The large advertisement in yesterday morning's Press tried to reassure business people as to the situation, and similar advertisements will have to be placed to explain the FID. It will be out of control.

How it will be collected, I do not know. I do not know how the computers will handle it. This morning I rang the St. George's Building Society in New South Wales, which has $1.6 billion of investments. It is the largest building society in Australia. For it to comply with the New South Wales legislation on FID it had to increase its computer capacity by 18 per cent, yet here on 7 December we are to ask people to start collecting this tax to be imposed by the State on 1 January, and to alter computer programmes accordingly. If that will not be a physical impossibility as we come to the Christmas break, I do not know what would be.

The Premier is unable to grasp the detail of the financial arrangements which will involve tens of millions of dollars. It is little surprise he has treated this financial impost in such a cavalier and contemptuous manner. I will give examples of his contempt. Many people and organisations in our community are forced constantly to count every cent they have so that they can extend every dollar as far as they can. This applies more particularly to those members of the community not granted wage rises during the wages pause. Let us take the position of sporting clubs which seek to raise funds to provide new facilities or improve existing ones so that people can participate in recreation in a beneficial manner. Many members of Parliament are patrons of various clubs. As patrons, we do not take on the responsibilities of patron in name only, but we also take on the duties of a patron. I am happy to be patron of the Bayswater-Morley Cricket Club. We have produced a couple of good cricketers.

Hon. D. K. Dans: Haven't they found out about you yet?

Hon. NEIL OLIVER: We are now in a very good position whereas three years ago we were at the bottom of the ladder. It took a lot of work.

Hon. Peter Dowding: Tell us about it.

The PRESIDENT: Order! I ask the honourable member whether that has anything to do with the financial institutions duty.

Hon. Garry Kelly: He is the opening bat.

Hon. NEIL OLIVER: I was referring to the impost of this tax on sporting groups. Mr President, you will agree with me because we have often spoken about sporting and charitable bodies in your electorate and your concern about how the manner in which they can raise funds is slowly being eroded by the encroachment of professionalism into their fund-raising fields. The impost of this tax is now applied to the same voluntary people who were concerned about the encroachment of professional groups into the areas in which they raised their funds.

It is interesting to look at the difference in the tax and how it applies in other States. Western Australia will have the highest FID tax in Australia. In Victoria, take for example an average account with transactions of 11 credits totalling $11 000 and 20 debits of, say, 16 transactions at $35 and four at $221, comprising 13 cheques. The FID in Victoria will be 45c whereas in WA it will be 75c. Cheque duty has been removed under the Act in Victoria because of the imposition of the FID tax. In WA the cheque duty will remain at $1.30 and the total State duty will be 45c in Victoria and $2.05 in WA. Add to this the Commonwealth banking duty of $2.60 applicable in both States. The total of all this is $3.05 in Victoria and $4.65 in WA—in one month. That is a very small average company account with few transactions.

I will put it into another format. Consider transactions of 15 credits totalling $38 000 and 70 debits totalling 58 cheques of various amounts. The duty in Victoria will be $11.40 and in WA it will be $19. Cheque duty has been repealed in Victoria so it leaves, surprisingly, a total State duty in Victoria of $11.40, whereas in WA it is $24.80.

Hon. D. K. Dans: Victoria is going to reintroduce that tax.

Hon. NEIL OLIVER: Is that so?

Hon. D. K. Dans: Yes.

Hon. NEIL OLIVER: It will be interesting to see how it works out. That is some news.

Hon. Peter Dowding: It rather scuttles your argument.

Hon. NEIL OLIVER: If this tax is to be reintroduced in Victoria, the best warning I could give to my people when they come here tomorrow morning is that stamp duty and tax will increase further in WA next week. Certainly WA will not be allowed to remain behind Victoria, because we are the tax leader in Australia.

Hon. D. K. Dans: I assure you that in a matter of months we will have the lowest FID in Australia.

Hon. NEIL OLIVER: The Premier certainly will not want anybody to pass him on the race to the finishing line.

The multiple application of the tax will flow on to churches and other organisations seeking to raise funds to help the poor, the disabled, and the disadvantaged people in our community. I know that an opportunity is provided within the Bill for an exemption if in any quarter the duty exceeds $20. A rebate will be available. I do not know what it will cost voluntary treasurers and other staff to work all that out.

Hon. D. K. Dans: Couldn't you give us a figure that I can hang my hat on?

The PRESIDENT: Order!

Hon. NEIL OLIVER: They will get round it in some way. It is a really sad situation that the people who give of their time voluntarily to assist the disadvantaged people in this community—those who are disadvantaged through no fault of their own—will now be required to pay a duty and to then fill out a form for a rebate. Just how low will the Government go?

Hon. D. K. Dans: I have heard that before.

Hon. NEIL OLIVER: How low will the tax man go? It is said that he takes a person from the cradle to the grave, but this tax is worse than that; it cannot get any "lower".

Hon. D. K. Dans: From the womb to the tomb, you reckon?

Hon. NEIL OLIVER: Another aspect of serious concern to the House relates to the extent to which FID will encourage widespread payment of wages and salaries in cash. I believe the Hon. Norman Moore will cover this in far more detail than I.

Hon. D. K. Dans: There will be nothing left for the Hon. Norman Moore to say; you are doing such an excellent job.

Hon. NEIL OLIVER: I hope the Hon. Norman Moore will follow me this evening with that information.

Hon. D. K. Dans: Do you really mean that? Do you want Mr Moore to follow you?

Hon. J. M. Brown: For a guided tour as well!

The PRESIDENT: Order! The honourable member knows the member is trying to wind up his speech.

Hon. Peter Dowding: Point taken.

Hon. D. K. Dans: At least he is good entertainment.

Hon. NEIL OLIVER: I am pleased that the Leader of the House is still here and is enjoying the evening.

Hon. D. K. Dans: No, I am not.

Hon. NEIL OLIVER: I am pleased that he regards this as good entertainment. This opportunity for multiple taxing of direct payroll crediting will lead either to employers requesting salary payments in cash, a number of separate payroll lodgments, or payment by a negotiated cheque. I rang a friend of mine in Melbourne today and said—

Hon. Peter Dowding: You have not been wasting taxpayers' money again, have you?

Hon. NEIL OLIVER: No, I paid for the call myself. I do not enjoy the situation of Ministers in this regard. In fact, I forwarded a letter to the Deputy Premier about the way in which my telephone account operated while other members of Labor persuasion seemed to have advantages. I have drawn that to his attention. I was not wasting taxpayers' money because I did not make the call from Parliament House or from my electoral office.

However, it is interesting that when I mentioned FID to my friend he said it was a disaster in Victoria. He said that one eventually gets round it. For example, with a settlement agency one lump payment can be made instead of paying a multiple tax. On an amount of $9 000 the duty amounts to something in the vicinity of $40 and it can be overcome.

That is possibly why I have had interjections from the Leader of the House regarding the reintroduction of stamp duty on cheques in Victoria. It shows how little the Labor Party knows about this tax because since it was introduced even the Federal Government cannot comprehend its operation. Mr Keating, when introducing the Federal Budget, drew attention to the fact that there was a reduction in the bank advanced duties and the Commonwealth Government could not understand why the figure was well below the es-

timated figure. The Federal Treasury, including the Treasurer, had no answer for this. The Federal Treasurer did say when introducing the Budget that the Commonwealth Government was concerned about this matter. There is no need to be concerned about it because when New South Wales and Victoria introduced FID everyone moved to Queensland in order that their settlements, etc., could be done in that State.

Hon. Garry Kelly: Is that the truth?

Hon. NEIL OLIVER: It is correct and I suggest to the Hon. Garry Kelly that he reads Mr Keating's Budget speech.

The Government does not know the ramifications of this legislation. It says it will collect $38.8 million in a full year—that is what the Government thinks it will be. The Government could not tell us what tax would be forthcoming as a result of the tobacco tax Bill, but it has worked out that it will receive $38.8 million from this tax.

The Treasury has worked out the exact figure, but the Government is not aware what will happen with the short-term money market. I predict that more money will leave Western Australia if this tax is established. The corporation will ride in as a knight in shining armour with Swiss francs in order to ride it out because the Government brought in this legislation with its incompetence.

Several members interjected.

Hon. NEIL OLIVER: FID will be paid not once, but three times on the same transaction. It will amount to a tax on a tax on a tax.

Legal practitioners will be liable for payment of this duty not only on conveyancing transactions, but also on other moneys held in trust.

Hon. Garry Kelly: Will it be paid on deposits in bank accounts?

Hon. NEIL OLIVER: I understand that certain trusts will be exempt.

Hon. J. M. Berinson: Where have they been exempted?

Hon. NEIL OLIVER: I understand that general trustees will be exempt, although none has been named in the Bill. Some building societies have 100 years of trading with accumulated excess income over expenditure, and even though they call it a trustee investment, they will not be excluded. Under the Bill there is provision for trustee exemptions, but I do not believe this will apply to discretionary trusts.

Referring again to legal practitioners who are handling funds at settlement etc., this Bill has an in-built multiplier effect on such transactions, especially conveyancing.

I would be interested to know what the Minister for Housing feels about this legislation. No doubt the Hon. Norman Moore will have a great deal to say on this matter. However, the eventual losers will be the people who want to buy a house, because the costs will be passed on to them.

The point about this legislation is that the little people will be hurt by the impost. It will probably affect them by about $3 to $4 a week—I have not been able to estimate it properly. Perhaps the Minister, in his reply, might draw attention to how average weekly earnings will be affected by FID. I estimate that it could be as high as $10.50 a month in the case of the head of a family—I am not talking about dependants or the movement of accounts within a family.

There are two more objectionable effects of this legislation which the Opposition opposes. The Government should hold this Bill over in order that it can obtain the reaction of the public. As we know, the introduction of this Bill follows the bullying process adopted by this Government in respect of the introduction of Bills into Parliament. I understand this Bill was debated in the other place until 6.30 a.m. one day last week. The ramifications of that are that only three days have elapsed and the Bill is being debated in this House. It does not enable the public to make any feedback. The public have a right to know what is contained in the Bill in regard to amendments in another place.

I have been trying to make my constituents aware of this legislation, but many of them do not understand it fully. Some of my constituents are small business people who have grocery stores etc., like the vice president of the Chamber of Commerce, Mr Bruce Cullen. He has a small business which must be very competitive; he has to compete with multi-nationals in Australia and it is hard work for him. He has to keep abreast of Government impositions and must know about these charges in order that he can price his commodities accordingly and pass the additional costs on to the consumers who buy the commodities.

Naturally he is very concerned, but the Government does not seem to be interested in this or in getting a reaction from the people. We always accommodated the then Opposition when we were in Government. We allowed it time to get its "rent-a-crowd" in.

Hon. D. K. Dans: That is not quite true. I will give you some figures later about the time you gave us and you will be quite surprised.

Hon. NEIL OLIVER: The most incredible thing about "rent-a-crowd" is it is not here at the moment. If the Government is saying that "rent-

a-crowd" is not here because the public agree with it policies I can assure the Government the people do not. When the public realise the full ramifications of this legislation they will be angry, not happy.

The Government is bringing on this legislation to get it through the Parliament quickly so that the Press does not give an adequate cover to the duty. In that way the Government will stifle public opinion and not allow people in the democratic society to voice their dissatisfaction with the duty.

I point out another interesting factor in this Bill which is contained in the definitions. If it is the Government's intention to adjourn the debate after I finish my speech this morning it may give other members an opportunity to go into more detail on the definitions. But I point out that on page 10, line 13, definition (vi) refers to the Treasury in its capacity as a banker. That means that all funds collected by the SEC, the Metropolitan Water Authority, the Fremantle Port Authority and the whole gamut of Government instrumentalities will not be exempt from FID. As they collect their funds and accounts, they will remit them to the Treasury which, in its capacity as a banker as defined under this Bill, will not be exempt. So the Treasury will be raising this tax against all those instrumentalities.

I would be interested to know whether that is a fact. Is it the Government's intention to start raising those charges right across the board, for example, as Mr Dowding mentioned in relation to the SEC? Each remittance from the SEC to Treasury will be liable to the duty. That really disturbs me because it takes this duty out of the private sector and imposes it on the heart of Government business, with the Treasury acting as a banker and a collector of tax.

A point of great concern to me—and I am surprised the Government has not taken this into consideration—is that the Government cannot understand how this tax will be introduced. When this message is passed back to the Legislative Assembly and the Bill is approved by the Governor in Executive Council, people are required to gear up to become tax collectors for the State of Western Australia. That is to occur from 1 January 1984.

Most companies are computerised and that means various alterations must be made. I have already given the example of a building society. I do not know where those organisations stand in relation to how many megabytes they have in their computers and whether they have the capacity to take up the number of transactions and the duty payable. There will be a cost to the consumer in the adjustment of the programmes and the purchase of additional drives and computer sub-units for the upgrading of equipment and of computer memory. I do not think the Government realises equipment has to be ordered and a time lag is involved. I presume the Government has taken this into account and is fairly conversant with it, and has discussed it with industry which is very happy about it.

The Perth Chamber of Commerce asked today that the duty not be introduced on 1 January because its members will not be able to handle it. It asked for the introduction to be deferred to 1 April. The same situation as occurred in South Australia will arise. That State wanted to introduce the duty on 1 December but suddenly realised it was physically impossible and the Bill passed through that Parliament on about 8 November or 9 November. Two months elapsed in which companies and individuals could gear up for the legislation. It is now 7 December and we are saying that we want it introduced on 1 January. We are a month behind South Australia already, yet we expect industry to comply within a fortnight. I point out all the transactions that are associated with Christmas and the holdup that will occur, and the computations that will be required, because according to Mr Dans people expect to have Christmas holidays.

Hon. J. M. Berinson: What fortnight are you referring to? Why do you ignore the seven weeks they have had the Bill in their hands?

Hon. NEIL OLIVER: The Attorney is talking like Arthur Tonkin.

Hon. Peter Dowding: They would know as well as your members that the upper House does not throw out money Bills.

Hon. NEIL OLIVER: I do not concede that this is a money Bill. I have some doubts about it. I assume the Government has had Crown Law advice that it is a money Bill but I have also sought legal advice and there is some doubt.

Hon. Peter Dowding: If a Government proposes a measure which is to do with taxation, it would be a reasonably prudent institution which set its course on that basis. Are you suggesting they have not done so?

Hon. NEIL OLIVER: Obviously Mr Dowding does not have the ability or the flexibility of Mr Dawkins, because when he and the Federal Cabinet decided to introduce the withholding tax he suddenly realised what a tremendous problem it was and the timing was altered by six months. By interjection the Minister in charge of the Bill is saying that the business sector knew about this Bill in October when it was asked for its views.

He is suggesting they knew they would cop it anyway. I believe that is an incredibly presumptuous statement. It shows how arrogant the Government is. It went out into the financial community and asked for its views, having already made the decision to go ahead with the legislation. Having got those views the Government thanked the institutions concerned, put the information in the wastepaper basket and went on with the Bill. If that is what the Government calls consensus, good luck to it. It appears that when asking for the views of the financial community the Government was merely giving it a warning to get itself prepared.

I believe there will be chaos on 1 January when most companies are carrying out inventories following the six months' trading to 31 December. They will not only be involved in the stocktaking situation but also in the implementation of this new tax. Their accounting systems and computers will have great difficulty coping with the two areas. Mr Dans may be on holiday at that time but not many people in business houses will have holidays.

Hon. D. K. Dans: I will not be having a holiday.

Hon. NEIL OLIVER: The Government will not have time to put its machinery in place to collect these taxes unless it has pre-empted this legislation and knew that it would do so. In that case, it can say to the private companies, "We have been able to prepare ourselves, so why have you not been able to do so?"

I also query how the auditing will be carried out and how many staff will be required in that area. In the reply to this debate I would be interested to hear the number of staff required to administer this tax. As an example of the extra work created I refer to a small business affected by the Federal Government's withholding tax. My local service station has to employ a girl for three days a week to prepare the required forms. The forms are completed and when payment is made two vouchers are attached, which are sent to the creditor who completes one and returns it. That creditor may be exempt but one is not aware of that exemption and so both forms must be sent. The employment of a clerical assistant for three days a week filling in a series of forms and reconciling them at the end of the month is an additional expense. After two months the final amount to be remitted to the tax office was $13.20. What an incredible situation!

Several members interjected.

Hon. NEIL OLIVER: I refer to another constituent who asked me to assist her in filling out the forms. She asked whether I could arrange for the name of her company to be inserted on the forms because the company dealt with 10 000 such forms a month which created a great deal of work in filling out the names on each form.

I do not know how the Government has set up its organisation to collect this tax but I guarantee it will be chaos. I also do not know how the Government will go about auditing and policing the payment of tax.

Hon. Peter Dowding: This is truly very funny. It is truly inconsequential nonsense drivelling on hour after hour.

Hon. NEIL OLIVER: I have asked the Minister this question and there is laughter from him, which is very humorous. I presume that I can tell my constituents that no auditing staff will be associated with this tax. Is that correct?

Hon. D. K. Dans: Pick a number, double it and take away the number you first thought of.

Hon. NEIL OLIVER: I take it the Government has not considered how many people will be involved in this area.

The ruthlessness with which the Premier has imposed the increase in taxes at a time when there is supposed to be economic restraint is incredible. We are putting more impositions on the individual and yet we are talking about wage restraint and restraint in spending. The business sector is being squeezed and local authorities are also being told to reduce their spending. They are roped into this legislation and into what the Government is doing.

If the Government has difficulty meeting its commitments it can just increase the charges to taxpayers. If it needs to raise more money it has a simple solution. The businessman cannot do that because he has competition. Probably the only time the businessman did not have competition was when the Labor Party introduced price controls, because goods and services were all the same price. We have a Government with a monopoly and because of that it does not bother to operate under economic restraints. When the going gets tough it raises more money willy-nilly by taxes such as the tobacco tax and the financial institutions tax.

We have all these increases and taxes, and what do members opposite preach? They say, "We are concerned for the people of Western Australia; we as a Labor Party are concerned for small business". Concern! The Government has no concern. The Government's main concern seems to be the total annihilation of any possible opposition.

I have already spoken about all the various increased charges. We know the financial institutions duty will raise an additional $16 million in this year alone. Frankly, this Government has not come to face facts and make tough decisions affecting the economy. It is not prepared to do so. The Premier has challenged the Opposition to say where we would make cuts, and we will tell him. The Premier must set an example to the community with his own staff, vehicles, and advisers. Let us see some discipline from the Premier on the expenditure of public money.

Hon. D. K. Dans: When you are talking about vehicles, would you like us to start cutting down on the number of vehicles that are given to the Opposition?

Hon. NEIL OLIVER: The Leader of the House should not act tough and then live in luxury. Let us set an example. The community is looking for leadership and I expect the Premier to provide it. The Premier is one of the leading people in this State, and he is the person to whom people look for leadership.

One of the most interesting and disturbing aspects of the Premier's Budget is the introduction of this financial institutions duty. As I said, last March the Premier indicated he was not considering such a measure, yet we are tonight debating the introduction of such a tax, which is to apply from 1 January 1984. All we are told is that the Premier is following the lead given by the other States.

It is complex legislation and I believe the Government is incapable of understanding its ramifications, the manner in which it will operate, and its effect on small business. If this is the way this Government is to go about its business and if this is the way it intends to deal with legislation in this place, members opposite should rest assured there are ample speakers well prepared to follow me to debate these matters. I believe the people of Western Australia should always have an opportunity to make an input into legislation. I am disillusioned and disappointed that my constituents and the deputations I am to receive later today, comprising people who represent a wide section of the small business community, ranging over a distance of more than 120 miles, have been inconvenienced by this Goverment's rushing this Bill into this House tonight without giving me the opportunity to consult with my constituents to explain to them the effects of the legislation so that they can come back to me with the practical application of the legislation as they see it.

I then may well have been able to make a better contribution to the debate. I believe the Minister would have been more interested to hear second-hand from me the concern expressed by constituents and small business people in my electorate. I will convey that concern to him in due course, but I will not have the opportunity to speak on the matter in the House. I am totally opposed to this legislation; it is unnecessary and it is misleading the people by its imposition.

Debate adjourned, on motion by the Hon. Fred McKenzie.

ADJOURNMENT OF THE HOUSE: SPECIAL

HON. D. K. DANS (South Metropolitan—Leader of the House) [3.48 a.m.]: I move—

That the House at its rising adjourn until 11.00 a.m. today (Wednesday).

Question put and passed.

ADJOURNMENT OF THE HOUSE: ORDINARY

HON. D. K. DANS (South Metropolitan—Leader of the House) [3.49 a.m.]: I move—

That the House do now adjourn.

Legislative Council: Government's Legislative Programme

I do not want to keep the House, but I think it is incumbent on me to make a few comments about some of the action that has been taken in this Chamber during this session and to say simply that such action is unprecedented. We had the experience tonight of hearing speakers say that this Government is arrogant; that it is trying to rush legislation through this Chamber; that we are trying to diddle the people; and all the other points that have been thrown at the Government.

What is the real situation? In the first instance, we saw tonight the Opposition attempting to take the business of the House away from the Government. That is unprecedented. Not only is this a gerrymandered House, as is well known, but also it is a corrupt Chamber when the Opposition adopts tactics such as that.

Hon. N. F. Moore: What rot!

Hon. D. K. DANS: We then saw the industrial relations Bill again adjourned by the Opposition.

Hon. N. F. Moore: You said publicly it wouldn't be debated this session.

Hon. G. E. Masters: That doesn't matter; you changed your mind.

Hon. D. K. DANS: Mr President, because of its handling of the Western Australian Development Corporation Bill I have no further confidence in any word given by the Opposition. The reality of the Opposition is that it is in complete disarray; there is not one leader of the Opposition, there are three leaders.

Several members interjected.

Hon. D. K. DANS: These three leaders represent three groups within the Opposition and each one is dominated by different pressure groups from outside this Chamber. That is the reality of the situation. If that is the way the Opposition wants to play it, that is the way the Government will play it. Members opposite have brought Parliament into disrepute.

The Opposition has belly-ached about the industrial relations Bill; let us examine the situation. In the last term of the previous Government, it was exactly 26 days from the time Mr Masters, as Minister for Labour and Industry introduced the industrial relations Bill until it was debated here. The Bill was introduced on 15 September and was first debated on 12 October.

Hon. A. A. Lewis: You weren't allowed to adjourn it?

Hon. D. K. DANS: It went into Committee on 13 October and had its third reading on 19 October. That is 26 days, Mr Lewis. How long has the industrial relations Bill that we introduced been in this Chamber? Does Mr Masters know? I know that he does not know.

One of the main problems of the Opposition is its disarray, because of the competition to see who will lead the Liberal Party. It is sad to say that it will not be the Hon. Ray O'Connor—

Hon. A. A. Lewis: You could have fooled me.

Several members interjected.

Hon. D. K. DANS: It is exactly 26 days to the day, so members opposite should not talk about not having had enough time. The Opposition has the temerity to come here and say that the Government is trying to push legislation through this Chamber. Members opposite have the temerity to destroy every convention of this Chamber by taking the business of this House out of the Government's hands. It will do the Opposition no good. I am not talking about how long we can sit here. The public will see through the Opposition very quickly, as they already have.

A Government member: A long, long time ago.

Hon. D. K. DANS: There is no intention on the part of the Government to protract the sitting of the House, but the legislation that we have introduced into this place was well foreshadowed to the public before we became the Government. It is certainly the job of the Opposition to criticise; it is not the job of the Opposition, or its role in a democratic Parliament, not only to obstruct, but also to endeavour to destroy the Government's legislative programme.

Members opposite can defeat Bills if they will; that is their role. But do not obstruct and do not make a mockery of an upper House that already is held in disrepute in many areas of the community. It is not only Labor supporters who are starting to see through the facade of this place. If any self-respecting journalist—and I believe there are a few—wanted to report verbatim some of the contributions that are made in this House, we would not last five minutes.

Members opposite should not talk to me about time wasting, when they make incomprehensible speeches which are supposed to support some point of view. A number of members would fall into this category. One of the great advances we have made here in the last few months is the system of broadcasting the debates throughout the building, because people all around this House can now hear the debates, and hear what kind of contribution members are making. So that people may judge us on our merits, the next move we should make is to inflict upon the public of Western Australia that same instrument of torture that is used in Canberra; namely, the broadcasting of proceedings from this Chamber.

Hon. I. G. Pratt: What is the point of that?

Hon. D. K. DANS: One of the points of that is that the public of Western Australia would not have to worry about a gerrymandered House; they would suddenly realise how they have been short-changed by supporting this so-called House of Review.

Several members interjected.

Hon. I. G. Pratt: Mr Piantadosi is not allowed to speak.

The PRESIDENT: Order!

Hon. D. K. DANS: There are plenty of other examples which can be given at the appropriate time—and that time will come—of the Opposition breaking with tradition, tearing up the rule book, and thumbing its nose at the Parliament.

We have suddenly realised in the last couple of days that there are three echelons in the Opposition, each with its own titular head, each one vying to eventually become the dominant group, to usurp the present leader, and to put its own king on the throne. A "palace revolution", it is called.

Several members interjected.

Hon. D. K. DANS: Members opposite may well laugh, but they are not my words.

I object to the behaviour of the Opposition in this place tonight because I think—or at least, I hope—we all believe in democratic government, and notwithstanding the gerrymander here we all

try to play by the rules. However, the Opposition tonight tore up the rule book under the prodding of one of these twits. We are quite prepared to stay here and are prepared to be very gentle. I was prepared to do something about the industrial arbitration legislation; but I am not prepared to do it after that phoney exercise tonight. If the Opposition is not prepared to debate any of the Bills on the Notice Paper tonight, it will never be prepared to debate them.

I spent a number of years sitting in the Leader of the Opposition's seat and I know what a difficult task it is, but at least we were always prepared. It takes a great deal more work; more work than when one is in Government. I do not think that the Hon. Gordon Masters would argue with that statement, but if members opposite are going to sit around on their butts and engage in factionalising it does not matter whether they have another 26 days; they will still not be ready. When the Opposition talks about not being ready it does not mean it is not ready for the Bill; it means that it wants to get abroad in the community and sow as much dissension as it possibly can. We offer adjournments in good faith and honesty, and what is the next thing we get? We get all kinds of letters coming back—after all, some members on this side of the House do have friends in business who are very honest people and they send back to us the dirty little bits of false information about this and that that have been dribbled out by the Opposition.

I hope I never have to stoop to those kinds of tactics. I never have while I have been in this Parliament and I hope that for whatever time I am here in the future I will not have to do it. I do not think it enhances, in the eyes of a great number of people irrespective of their political viewpoint, the stature of the institution of Parliament, or the members of it.

All I can say—and I will talk specifically about the industrial relations Bill, and address my remarks to the Hon. Gordon Masters—is that we were ready after 26 days, and after debating the Bill for one day it took three days in the Committee. Surely the Opposition is not saying to us, "We are not as efficient as you people; we have already had 26 days, we want another 26 days". Or are members opposite saying, "We want to get abroad among our mates outside because we need a little support from outside the party room so that our group might be triumphant in the battles that are ahead for the leadership of the Liberal Opposition"?

In my few short years here I have never seen such a divided Opposition. I do not think in the history of the Parliaments of Australia there has ever been a situation where there were three Leaders of the Opposition. They should be condemned for that, and the public of Western Australia should see through their phoney attempts to delay, disrupt, and bring this Parliament into disrepute. If they are not ready in 26 days to debate this Bill, as we were in respect of a similar Bill, they will never be ready.

Hon. N. F. Moore: Who are they?

Hon. D. K. DANS: The member knows who they are. He can go and ask his own mates in his own party. If they know who they are they can tell me and can certainly tell the member. Then he will not have to rely on me, but can rely on members of his own party.

In conclusion, this is the most lamentable and disgusting session of Parliament that it has ever been my lot to be present at.

HON. G. E. MASTERS (West) [4.04 a.m.]: Once again the Parliament has been treated to an exhibition from the Leader of the House, an exhibition that we have seen before on a number of occasions. He covered up the facts by a lot of bluster and shouting; in fact, what we saw today was a demonstration of how the Government has been running this House. The events of the last 24 hours indicate just how dishonest is the Government, and I can prove that.

The Opposition deeply regrets the circumstances of this evening but we had no option. I point out that the public have simply not had the opportunity—not us, but the public—of considering the legislation that is being rushed through Parliament in great quantities.

If we are talking about the amount of work that is going through we have only to look at the heap of *Hansard* to see there is about twice as much as there normally is, and that is through the Government and Mr Dans trying to force legislation through.

What we are facing in this Legislative Council is a deliberate attempt by the Government, by the Premier and members on that side, to place legislation before this House that they know we cannot accept, or we do not have time to consider. That is the ploy. We know very well that they are spoiling for an election.

They are seeking any excuse they can and they are throwing things at us saying they cannot accept amendments; then they put forward more and more Bills. They know what they are doing. They are not fools, least of all Mr Dans; although he acted the fool tonight.

All I am saying, Sir, is that the Government is deliberately and cold-bloodedly provoking this

House to provide an excuse for an election; that is what it is all about. Now let us consider honesty and dishonesty, Sir. Let us look at the Government; let us look at the promises that Mr Dans made when we talked about the Argyle diamond venture. He gave a firm undertaking to the Leader of the Opposition. He said, "We will deal with this Bill tonight". On that understanding the previous night this Opposition agreed to deal with two very important Bills that the Government wanted to pass. What happened? On the night that we came back to deal with one very important Bill the Government refused to deal with it. It let the debate go so far and then adjourned the House. We did not take the business of the House out of the Government's hands at that time. We bitterly complained, and I said to Mr Dans, "I will never trust you again. You are dishonest".

Hon. D. K. Dans: You never said that at all.

Hon. G. E. MASTERS: The Leader of the House should read the adjournment debate in *Hansard*. I said that we could not trust the Government again.

Several members interjected.

The PRESIDENT: Order!

Hon. G. E. MASTERS: Unfortunately, we did trust the Government again and exactly the same thing happened when we debated the industrial legislation. An arrangement was made between the Premier, Mr Bryce, and myself. Mr Dans knows it only too well because it was last week. I was sitting in this Chamber and I had a call from one of the Clerks, who said the Premier wanted to see me outside. I went outside and I spoke to the Premier in an office. Mr Burke said to me—listen to this, Mr Dans; he knows what it is all about—"We've got some trouble with the industrial legislation; I'm going to put a proposition to you". So I said, "Righto, what's the proposition?" He said, "Look we've been pushed into putting this legislation forward. Mr Dans has got some problems with it. This is what I'd like you to put to your leader. You speak for 10 or 15 minutes and then ask for leave to continue your remarks at a later stage in the debate. We won't argue with that; that will get us off the hook because we have got people behind the scenes pressing us and it will save you the trouble of going too far down the line because we know you've got troubles and we've got troubles and there are some problems with the legislation". He said "It needs correcting". Apparently those were Mr Dans' own words.

Hon. D. K. Dans: I said that publicly.

Hon. G. E. MASTERS: I came back into this House, Sir, and told Mr Dans. He said, "Okay, that's all right". I went to my leader and we went to Mr Bryce because Mr Burke was not available.

Hon. D. K. Dans: Who is your leader?

Hon. G. E. MASTERS: I went to the Hon. Ray O'Connor—

Hon. Peter Dowding: You went to Hassell.

Hon. G. E. MASTERS: It is no use the Minister's blustering. At least he might allow someone else to have a word.

Several members interjected.

Hon. G. E. MASTERS: Members opposite know what I am doing; I am telling the truth.

The PRESIDENT: Order!

Hon. G. E. MASTERS: Is the member arguing that what I am saying is untrue?

A member: Yes.

Hon. G. E. MASTERS: Right. At least that is a start.

The PRESIDENT: Order!

Hon. G. E. MASTERS: Mr President, we then went to Mr Bryce and told him that as far as we were concerned we would honour that arrangement. That is what we said. And so, Sir, because we thought that it was necessary to sort out the problem, our leader wrote a letter, urgent and confidential, to the Premier this morning—and I have a copy of it—in which it confirmed the arrangements that were made. We had a reply from the Premier almost immediately saying that in view of the Opposition's very firm position on this matter his suggestion to Mr Masters was that the suggested arrangement would overcome everyone's difficulties.

Hon. D. K. Dans: What did he say about it?

Hon. G. E. MASTERS: He said he would not accept a deferment.

Several members interjected.

Hon. Peter Dowding: What did you do?

The PRESIDENT: Order!

Hon. G. E. MASTERS: Mr President—

Several members interjected.

The PRESIDENT: Order!

Several members interjected.

Hon. G. E. MASTERS: I say the member is lying.

Withdrawal of Remark

The PRESIDENT: Order! The honourable member must withdraw that.

Hon. G. E. MASTERS: I withdraw, Mr President.

Debate (on motion) Resumed

Several members interjected.

Hon. G. E. MASTERS: Mr President, what I am saying is true; there was an arrangement that we would have honoured. But Mr Dans stood up in this House—

Several members interjected.

Hon. G. E. MASTERS: —and said that we had broken promises and traditions. The tradition is that when an arrangement is made—and particularly when it is in writing—it is honoured. Mr Dans walked into this House tonight, without any reference at all to us, and suddenly brought on item No. 3 on the Notice Paper.

Several members interjected.

Hon. G. E. MASTERS: He did not even have the courtesy to come around and tell our Whip.

Hon. Peter Dowding: What did you do with the Bill?

Hon. G. E. MASTERS: We deferred it.

Several members interjected.

The PRESIDENT: Order! Order!

Hon. G. E. MASTERS: For a very good reason, Mr President—the public had not had time to consider the Bill.

Several member interjected.

The PRESIDENT: Order!

Hon. G. E. MASTERS: Mr President, my understanding is that the Premier made an announcement this week that he expected the Parliament would finish this week.

Hon. Peter Dowding: So what did you do?

Hon. G. E. MASTERS: We knew that the development corporation Bill had not been considered by business and industry because of the lack of available time, so our only option was to delay debate to the first day of sitting next year.

Hon. Peter Dowding: You broke every convention.

Hon. G. E. MASTERS: We had a responsibility—

Several members interjected.

The PRESIDENT: Order! Order! I ask the Minister to cease his interjections. I ask the Hon. G. E. Masters to be a little more moderate in his language. I remind all honourable members that the *Hansard* staff are still experiencing the same difficulties that they experienced last week, and I received a note a moment ago advising we are now on the tape. I would like honourable members to bear that in mind so that we can ensure that the tape recorder can pick up all the comments.

Hon. G. E. MASTERS: Thank you, Mr President. What I was saying is that there was a firm, written undertaking from both parties involved. So when the Leader of the House talks about tradition we should consider that. The point is that when we sought to adjourn the debate on the development corporation Bill until next March, we thought that would be the first available date by which we and the public could reasonably understand it and deal with it.

Hon. D. K. Dans: Rubbish.

Hon. G. E. MASTERS: When the amendment was brought forward and when we understood that the House would continue to sit up to Christmas, we accepted that proposition. We accepted it because it gave us more time. The matter we had been raising all evening was that we needed more time, that the public needed more time. During the debate on the second reading—which incidentally we voted for; which we supported—I begged the Minister to defer the legislation. All he needed to do at that time was to say—

Hon. Peter Dowding: What about when you were a Minister, jamming Bills through?

The PRESIDENT: Order!

Hon. G. E. MASTERS: Mr President, what I am saying is that if the Minister had been genuine and had said to us, "I understand that you need a deferment, and it is reasonable because the public do not understand the legislation—"

Several members interjected.

The PRESIDENT: Order!

Hon. G. E. MASTERS: All right, I take that back; I have the highest regard for Mr Berinson. I would say, Sir, that had Mr Berinson said, "We are going to sit towards Christmas, if you need another 10 days or 14 days, we will give it to you", we would have willingly accepted it. That is what we have asked for all evening, as we asked in respect of the industrial Bill. The deferment was not allowed, and, of course, the Government then worked some sort of ploy. We had no option and we make no apologies for—

Several members interjected.

Hon. G. E. MASTERS: —discussing the matter as we did and for taking the action we did. It was necessary. The Government eventually recognised it by giving us more time and suggesting a date.

Hon. Peter Dowding: You broke a convention.

Hon. D. K. Dans: We had 26 days in which to consider one of yours.

Hon. G. E. MASTERS: When Mr Dans talks about 26 days for industrial legislation, that was a thin Bill with a few clauses.

Several members interjected.

The PRESIDENT: Order!

Hon. G. E. MASTERS: The Acts Amendment (Industrial Relations) Bill has 124 pages and 92 clauses and makes the most wide and extreme changes in industrial legislation in this State's history; that is why we are concerned.

Hon. D. K. Dans: Ninety-two clauses and half of them are in the present Act. You know that.

Hon. G. E. MASTERS: They are not. If they were in the Act, they would not need to be in the Bill. What I am saying is that the Industrial Arbitration Act is a large piece of legislation and I know that I must not debate it because it is on our Statute book. However, I refute the Minister's accusation that we have not tried to be ready, and I would draw the House's attention to the point that the Minister himself publicly in a reported statement to the Press said the Government would not proceed with the Bill. He made that arrangement with the Opposition and now he is reneging on it and blaming us for all sorts of things—

Hon. D. K. Dans: No, I am not reneging on it—you've reneged. You are the people who have reneged. I made a public statement for the Premier.

Hon. G. E. MASTERS: I suggested that the Minister who is responsible for the industrial Bill and who is Leader of the House should examine his own performance because it is quite disgraceful, and if he says that we have embarrassed this House, he certainly brought it to its knees.

Hon. D. K. Dans: You took the action; we didn't.

Hon. G. E. MASTERS: He brought it to its knees, and he knows what he is doing. The Government has been engineering this situation for a long time. We are not going to be bullied and pushed around by an arrogant Premier and a blustering Minister in this House.

Hon. D. K. Dans: Blustering! What utter nonsense!

HON. A. A. LEWIS (Lower Central) [4.17 a.m.]: We must be a little calmer, and the House must take a calmer look at the whole situation. What has happened over the last few weeks has not cast much credit on any people in the House. For instance, I refer to the situation in the week before I went to a conference recently when, in the normal course of events, pairs would have been granted as has been the case with every other member who has ever been in this place. Before the occasion to which I refer, I had been given an assurance on the matter by the Leader of the Opposition. I got fairly angry one night—I am sorry the Leader of the House got fairly angry one night, and I chastised him about that.

Several members interjected.

Hon. A. A. LEWIS: Okay. There was a misunderstanding and I think we got—

Hon. D. K. Dans: And I apologised.

Hon. A. A. LEWIS: Yes. And I think we got back on to reasonable terms. But the House will never work while people are shouting and yelling at each other.

[Laughter.]

Hon. D. K. Dans: I agree.

Hon. A. A. LEWIS: Mr Dans can laugh as much as he likes—

Hon. D. K. Dans: I am agreeing with you—

Hon. Peter Dowding: The old foghorn himself—

Hon. A. A. LEWIS: I will give the Minister for Mines as much time as he likes to interject.

Trust has to be re-established in the House. Now I must admit that I was devastated tonight to find with the debate—

Several members interjected.

Hon. A. A. LEWIS: We had good debate on the Western Australian development corporation legislation. Okay, I made a few mistakes and so did the Attorney General, which will be pointed out to him in the Committee stage of the Bill. The main reason for those mistakes was the lack of time for research. If the Attorney had said, "Look, how about if we come back and do the Committee stage 10 days from now, or a fortnight from now?" on behalf of the Opposition, I certainly would have entertained that proposal, so that I would have had time to prepare amendments to the Bill and do research on it.

Now, should we deal with the industrial arbitration situation—

Several members interjected.

Hon. A. A. LEWIS: The Leader of the House says that in the past he had only 26 days. I am not doubting the number of days, but the business has been on again and off again for so long in the Press. In the private agreements, it has been on; then in the private agreements, it has been off; and again in the Press it has been on. Nobody has known where he stands.

Hon. D. K. Dans: It all depends on the Western Australian Development Corporation Bill?

Hon. A. A. LEWIS: The Western Australian Development Corporation Bill, as I understand it, will be debated in Committee on 20 December, and I am quite prepared to go through it until it is completed. It will be a very tedious exercise, not for the Leader of the House, but for the Attorney General and me—a very tedious exercise.

Hon. D. K. Dans: Much more tedious for the people who have to listen to it.

Hon. A. A. LEWIS: Well, that may be right. But I believe Opposition members have a right to get answers to questions.

Hon. D. K. Dans: I know that, but they can have answers tomorrow.

Hon. A. A. LEWIS: I would love to have the debate brought on tomorrow; if I had time to study the Bill and to draw up amendments. But really the period between Friday and today is not long enough.

Now the Leader of the House made his purpose clear tonight, when he cried out, "Defeat it if you will!"

Hon. D. K. Dans: I said that is your right.

Hon. A. A. LEWIS: Thank you, it is a right! Thank you very much!

Hon. D. K. Dans: I said not to obstruct or destroy—

Hon. A. A. LEWIS: It is one of our rights. I thought the Leader of the House had made his speech—

Hon. D. K. Dans: I am just putting it right—

Hon. A. A. LEWIS: I am only repeating the words the Leader of the House used, which were "Defeat it if you will!" I am not all that intent on defeating the Western Australian Development Corporation Bill. There are some things in it that I believe are necessary, but if we are going to have the bully-boy attitude and we have either one thing or the other to do—defeat it or not—then okay.

Hon. D. K. Dans: Just by way of interjection, I said that is your right. I do not argue about it.

Hon. A. A. LEWIS: Well, that is okay, but surely if we review the legislation properly, we should be given the opportunity to amend it in a proper way.

Hon. D. K. Dans: I do not deny that.

Hon. A. A. LEWIS: Now, time and time again, Ministers tell me that they cannot get Parliamentary Counsel to do their work. Oppositions have a little of the same problem.

Hon. D. K. Dans: I have offered to you people a number of officers to explain the industrial Bill to you.

Hon. A. A. LEWIS: Now, wait a minute. At the present moment—

Hon. D. K. Dans: I wrote a letter to you about it.

Hon. A. A. LEWIS: I have not been offered any officers to help me with the Western Australian development corporation—

Hon. D. K. Dans: I am not talking about that one.

Hon. A. A. LEWIS: I might accuse the Leader of the House of bias in the area of industrial relations if he is not careful.

Hon. D. K. Dans: Yes, but I am just taking a Bill—I gave you that opportunity with everyone else.

Hon. A. A. LEWIS: I have not got that opportunity—I am not handling the Bill. And I have not been offered the opportunity for counsel on the other Bill. So I have to quietly go through the legislation and do most of it myself.

Hon. D. K. Dans: We had to do it in Opposition, too.

Hon. A. A. LEWIS: Okay, the Leader of the House said that he had only 26 days to research a reasonably small Bill on industrial arbitration—I had four days, and I am just drawing the comparison. We must get back to a bit of trust. Even the Minister for Mines and I are getting to the stage where we can talk about certain things, and that is the greatest advance since sliced bread.

Hon. D. K. Dans: Since the discovery of fire.

Hon. A. A. LEWIS: Yes. The Minister for Mines and I are trying later this morning—if either of us awaken—to discuss some matters of common interest to get them solved. Why cannot the Leader of the House do the same thing? There is no need for childish paddies and tantrums in this place, and I do not think there is need for yelling, screaming, bully-boy and standover tactics, and all those sorts of things which have been adopted by the Leader of the House tonight. We do not need them, and I am sure that if he takes the calm, smooth approach of the Attorney, things can work out.

Why cannot the Leader of the House do that? There is no need for childish paddies and tantrums in this place. I do not think there is a need for yelling, screaming, bully boy standover tactics—all those sorts of things indulged in by the Leader of the House tonight. We do not need them and I am sure that if he takes the calm, smooth approach, things will work out in no time at all. I do not see that there is any sense in the Leader of the House, having given us a lecture on the last day of sitting about the use of the ad-

journment debate, getting up here tonight and doing exactly what he accused us—

Hon. D. K. Dans: I didn't have the opportunity to debate those things prior to the adjournment—I was very careful.

Hon. A. A. LEWIS: —of doing the other night. He did exactly the same thing himself tonight. We are being party to the situation if we just take quietly all that has been said. The Leader of the House and the Acting Leader of the Opposition should go away and make some arrangements after having some quiet, casual talks with those involved, but with no interference from people outside this House. I find that mostly the Leader of the House gets into trouble when he makes a promise and Big Brother from the other end comes down and either pours scorn on the agreement he has made or counter-answers altogether. Let the Leader of this House, not a leader from somewhere else, lead the House. This is the first leader we have had who has not led the House on his own, but who has had these undue influences from outside.

Hon. D. K. Dans: Sir Charles Court used to perch up there like a bird of prey.

Hon. A. A. LEWIS: Yes, and the leader of the Liberal Party in this House quite often told him to buzz off.

Hon. D. K. Dans: Yes, I know; they used to cast fervent little glances at him and then start shaking.

Hon. A. A. LEWIS: And the members of the Liberal Party quite often told him to buzz off. We have not noticed the Leader of the House doing that to his Premier, but we hope that he will. I am not going to get uptight and upset about the situation; it is too early in the morning—

Hon. D. K. Dans: I'm not sure if it's too early in the morning or too late at night!

Hon. A. A. LEWIS: Is the Leader of the House finished?

I believe we can work our way quietly through these next three weeks of sittings that are planned, and there is no need to be sitting at this hour of the night. We know we are going to be here until 20 December—we can sit right through to that date. We could quietly go through the legislation and there is no need for us to sit for any abnormal hours. So the Press, *Hansard*, everybody else—

Hon. D. J. Wordsworth: Mr Burke.

Hon. A. A. LEWIS: It is nothing to do with Mr Burke. The House can work as a sane unit, both Opposition and Government, and there is no need for haste, for pushing, for bullying, or for anything else. Let the House just work quietly along without all the tantrums that have been indulged in in the last day or so.

HON. PETER DOWDING (North—Minister for Mines) [4.29 a.m.]: Just as the Hon. Sandy Lewis' facade of sweetness and light is not his normal behaviour and it disguises his regular bellicose ramblings in this House, so the Hon. Gordon Masters, by making his statement this morning, has sought to cast a completely different picture from reality. What he ignored in his comments was that he and his party have today done exactly what the Liberal Party did in the early 1970s in relation to the appointment of replacement senators; they have broken the conventions. The conventions in this House have been that the Government of the day has the carriage of the business of this House and it is not for the Opposition to interfere in that. Members opposite may debate the legislation, they may pass it, they may oppose it and they may vote against it; but it is quite inappropriate, for whatever reason, for them to get up and take over the business of this House.

What we have been saying about this House for a long time now is that the way in which it is elected makes it undemocratic. The Liberal Party has sought to disguise that lack of democracy by adhering, up to date, to those conventions—by pretending they are not going to use their numbers to blatantly ignore the conventions; namely, that the Government has the carriage of the business. It was not appropriate for the Opposition to move for the deferral until March next year of a very important piece of Government legislation. I utterly refute the suggestion that the deferral had anything to do with the Opposition's need to find out what the Bill was about. After all, it was introduced a fortnight ago in another place, and if members opposite had bothered they could have read it. Nor was the deferral to enable members opposite to seek public opinion about the legislation, because the facts are that the Bill has been well publicised, the nature of the Bill is not difficult to understand, and the newspaper reports of it have been widely circulated. It is an utter falsehood to suggest that a deferral until 13 March was necessary for either of those two purposes.

The fact is that without the leadership of Mr Medcalf and with the Opposition in the hands of Mr Masters—who does not seem to have the strength of character to make decisions and has to run out to a certain other person in another part of the House to find out what he ought to be doing—the Liberal Opposition took the carriage of the business away from the Government in breach of that convention. I do not think Mr Masters re-

alised what a serious breach of convention it really was. It is quite inappropriate and really calls for a review by the Opposition of its stance in this House, because if members opposite intend to use their numbers simply to conduct the business of the House, the Government is going to have to review its stance on a whole range of matters. The Opposition's tactics are not capable of being disguised as anything other than a blatant attempt to breach the conventions of this institution and to remove from the Government the power to deal with its own legislation. As it turned out, by something of an artifice, a short adjournment was moved by the Government and it has now been set in concrete; the Opposition has that short adjournment.

It might be a new experience for some members opposite, but they ought to be prepared to get to grips with the legislation. One of the problems is not only do members opposite not know who their real leader is, but apparently they do not talk to one another. A classic example is that I have been dealing with a gentleman who called himself the Opposition spokesman on a certain issue, yet I had two or three members opposite bleating that they did not know what was going on. I think they ought to talk to one another.

HON. I. G. PRATT (Lower West) [4.35 a.m.]: Mr President, we have heard a lot of nonsense tonight about taking business out of the hands of the Government; of course, that in fact did not happen.

Hon. Peter Dowding: Of course it did, Mr Pratt.

Hon. I. G. PRATT: It did not happen.

Hon. Peter Dowding: You would persuade yourself that black was white.

Hon. I. G. PRATT: No, the Minister is the one who does that.

Hon. Peter Dowding: You must walk around with your head in a bag.

The PRESIDENT: Order! I ask the Minister to not interject on the member.

Hon. I. G. PRATT: Mr President, it is quite obvious that any member of this House has the right to move any legitimate motion that he wishes to move at any time. That is why we have Standing Orders.

Hon. D. K. Dans: And is that what you're going to do in future? Just let us know. You're saying it now. That is your answer to the question that Mr Dowding posed? I will not interject any more.

Hon. I. G. PRATT: Mr President, Standing Orders are the rules of the House and it is up to any member—

Hon. D. K. Dans: There is such a thing as convention, too.

Hon. I. G. PRATT: This is a man who just said he will not interject any more; Mr President, it is quite obvious why he cannot keep his leader's assurances and deals. He cannot even keep his own word for more than two seconds; he contradicts himself in the next sentence.

Hon. D. K. Dans: You are talking about Standing Orders and we're talking about convention. Who do you think you're fooling?

Hon. Peter Dowding: I still think he doesn't know what he's saying.

Hon. I. G. PRATT: Mr President, if necessary I will stand here until Christmas and make my point. Members opposite will not continue to interject on me. The Standing Orders provide the mechanisms by which a member may function in this House and they lay down the things he may do in Parliament. It is open to any member at any time to take advantage of any of the Standing Orders.

Hon. Peter Dowding: You'd have to be the village idiot to think that.

Hon. I. G. PRATT: I, am not giving Mr Dowding any competition. He is the only crowned king of that.

Mr President, the business is not taken out of the hands of the Government until a decision is made.

Hon. Peter Dowding: Rubbish! Ask someone who knows.

Hon. I. G. PRATT: Mr President, if the Government had moved its amendment to the Hon. Gordon Masters' motion and the Opposition had defeated that amendment, or if the Government had not moved an amendment to Mr Masters' motion and then the Opposition had passed Mr Masters' motion, the business would have been taken out of the hands of the Government. But that is not what happened. Mr Masters moved a motion which was never put to the vote. A decision was not made on it. The Attorney General moved an amendment which was supported by the Opposition. In fact the wish of the Attorney General became the decision of this House. So this nonsense about the Opposition having taken the business out of the Government's hands is just that—it is nonsense.

Hon. Peter Dowding: You should never have moved that motion, and you know that to be true.

Several members interjected.

Hon. D. K. Dans: You can't wriggle out of it now; you can't avoid that situation.

The PRESIDENT: Order!

Hon. I. G. PRATT: As I say, any person can move any motion. The House decides what it will do with it.

Hon. Peter Dowding: That was a party decision on your side, in breach of the convention of this House.

The PRESIDENT: Order!

Hon. I. G. PRATT: I can quite understand how members of the Opposition feel because they do not have the numbers that we have.

Hon. Tom Stephens: We're a free Government. We're the Government and you're the Opposition.

Several members interjected.

Hon. P. H. Lockyer: Where's your yellow tie?

Withdrawal of Remarks

Hon. D. K. DANS: I think that remark should be withdrawn. I think that is going a little too far.

The PRESIDENT: Order! I do not know what the remark was.

Hon. D. K. DANS: Well I think you should have heard it, Sir; about the jellyfish.

The PRESIDENT: Would the member who made that comment about the jellyfish withdraw the comment; apparently a member made an unruly interjection.

Hon. TOM STEPHENS: Mr President, I would like the comment suggesting that I had a yellow backbone withdrawn.

The PRESIDENT: Well Mr Stephens is running second. The Leader of the House has requested that the comment that he suggested I had heard should be withdrawn, and I am asking the relevant member to withdraw it.

HON. GRAHAM EDWARDS: If you refer to the comment that I made in regard to jellyfish, Mr President, I will withdraw that comment.

The PRESIDENT: Order! The Hon. Tom Stephens has asked for a comment to be withdrawn.

Hon. Tom Stephens: The suggestion was that I had a yellow backbone.

The PRESIDENT: I ask the Hon. P. H. Lockyer to withdraw that comment.

Hon. P. H. LOCKYER: I will have to be guided as to what I said, Mr President.

The PRESIDENT: The member has indicated that you made an interjection suggesting that he was yellow or something to that effect. I did not hear it. If the member made the statement I ask him to withdraw it.

Hon. P. H. LOCKYER: I withdraw.

The PRESIDENT: There has been a lot of talk about convention and the breaking of rules and so forth tonight. It has become quite obvious to me, as the custodian of the conventions and Standing Orders of this House, that some members have absolutely no regard for them. Now, I have been very tolerant of honourable members over the last few months and I can assure members that that tolerance has come about from many years' experience in this place, and takes into account the fact that there are times when the debates get heated and members tend to say things that perhaps under other circumstances they would not say.

I warned honourable members the other day that if they continued to make those interjections across the floor the situation would arise where members would ask other members to withdraw statements, and unfortunately we have come to that tonight. Because there are so many interjections I am not able to hear all of them and I am certainly unable to attribute to which member the offensive interjection has emanated. So I ask all members to cease their interjections or suffer the consequences of my harshly implementing the requirements of the Standing Orders. I call on the Hon. Ian Pratt.

Debate (on motion) Resumed

Hon. I. G. PRATT: As I was saying before the brief break in the debate, I understand how the members of the Government feel, because they have to vote in the same caucused manner on every subject that comes up. Members on this side have the freedom to use their conscience on how they vote, to form their own opinions on how they vote. That has been evidenced many times in this session with various members from the Opposition side voting on opposite sides of the House as they feel their conscience dictates to them.

So until such time as the Hon. Gordon Masters' motion was put to the House, there was no definitive way of deciding what the result of that motion would be, and I would defend the Hon. Gordon Masters' right to move that motion or the right of any member to move a motion to adjourn the debate on something that they feel strongly about and that they feel strongly should be adjourned.

I make the point also, Mr President, that members on this side of the House have felt that they have needed more time to prepare their response to Bills; but that is something that we all have to live with when we are in Opposition. The point

that the Hon. Gordon Masters has made, and made very strongly, is that we have received approaches from members of the community, and quite large groups of the community, who feel that they need more time. I understand that they had approached the Government seeking more time; but they have definitely written to members on this side of the House seeking our assistance to obtain more time. Even today some letters arrived on my desk asking our assistance to have more time allowed for this debate, and I presume Government members get the same letters from these organisations. I presume they open them and they read them and give consideration to them, because after all, Mr President, they are putting themselves up as the saviours of the business community, and it is the business community which is writing to us and asking us to seek a deferment of consideration of this Bill.

Members opposite read in the Press—I am sure they do—that the business community wants this deferred. So let us not have this nonsense about when the Government was in Opposition it was given the same time, and all this crying on the shoulder business. That is not what it is about.

Hon. D. K. Dans: There are no tears.

Hon. G. E. Masters: Just a lot of bluster.

Hon. I. G. PRATT: That is not what it is about, Mr President.

Several members interjected.

The PRESIDENT: Order! Order! If the leaders want to have a discussion they can go outside and have it.

Hon. I. G. PRATT: It is about the community having a chance to take a good look at the laws that this Government wants to inflict on them. I believe the community is entitled to do that, particularly when we consider the far-reaching legislation that the Government is putting up at present. It is quite clear, Mr President, that if this legislation is to be reviewed, it will be reviewed by the Opposition because the only member speaking on the Government side is the Minister responsible for the Bill. Consequently, there is no chance in the world that the Government members in this House are to do anything towards reviewing that legislation.

It is our responsibility. If we look at the speaking lists on any of the Bills that have been debated this session we will find that is exactly what has happened. The responsibility for reviewing legislation has been placed completely on the shoulders of the Opposition and Government members have not participated in any way whatsoever.

Hon. Tom Stephens: What utter rubbish.

The PRESIDENT: Order!

Hon. I. G. PRATT: I presume, Mr President, that the honourable member can read, if he has no other abilities. If he reads the speakers' list—

Several members interjected.

The PRESIDENT: Order!

Several members interjected.

Hon. Tom Stephens: That is not the only place where legislation gets reviewed, you dill.

The PRESIDENT: Order! Order!

Hon. I. G. PRATT: No, Mr President, I will not ask for that remark to be withdrawn; I want that to stay on the record to show just what sort of person the honourable member is.

I repeat, the business was not taken out of the hands of the Government. A member of the Opposition moved a motion that is within our Standing Orders, which any person is entitled to move at any time, and on which the House decides.

Hon. D. K. Dans: Before you sit down, tell that to the marines.

Hon. I. G. PRATT: Perhaps one would get a more intelligent reaction from the marines than one would get from the Government of this place.

Several members interjected.

Hon. I. G. PRATT: In fact I am sure we would probably get a better reaction from a dead marine, as the member interjected, than we would from the Government. We have heard all sorts of threats, Mr President. We have been threatened with elections; we have been threatened with sitting till Christmas; we have been threatened with sitting all night.

Hon. D. K. Dans: They are not threats.

Hon. I. G. PRATT: Tonight we were prepared to go ahead and finish this work, and what happened? It has come to nought; we are adjourning and going home. If the Government is so keen to sit until this time of night why on earth did it not finish tonight? Members opposite have been threatening us with these things. Why did they not do it? They have been threatening us with sitting till Christmas—it was one tremendous bluff. Now their bluff has been called and they have to sit till Christmas. I wonder how they are going to enjoy it.

Hon. D. K. Dans: Very well.

Hon. I. G. PRATT: I do not mind and I am sure members of the Opposition are quite happy to accommodate Mr Dans on this. I look forward to some interesting debates in the weeks coming up to 20 December.

Several members interjected.

HON. P. H. WELLS (North Metropolitan) [4.51 a.m.]: Mr President, I was not certain whether the interjection by the Leader of the House was the reverse of the question he posed earlier in the night; I thought we were going to have a change of heart. I note that in this sitting we have dealt with seven Bills which have been debated at various levels.

If we deduct two hours for questions and the second reading speeches, we find we have had something like 1½ hours' debate for each Bill. I would not think that that is undue debate. There has not been an enormous amount of debate on any one Bill; the only one that came on unexpectedly was the Financial Institutions Duty Bill. I had an understanding that we would debate it tomorrow.

I was interested in the remark of the Leader of the Opposition that if this place was reported correctly there might be a shock.

Hon. D. K. Dans: There would be.

Hon. P. H. WELLS: I agree with him. If he wants to talk about reform, that is the area that we should talk about. I would suggest that I know best the hours available to me to survey the legislation that is presented. It is not the number of Bills that creates a problem to me; in this term of the Parliament it has been the complexity of the legislation and my responsibility to report that legislation within my electorate that has concerned me. It may well be that the Minister for Mines, in arguing that one can keep pace with this legislation, is a magician who is able to read everything; though I notice he does not speak on the Bills, nor does anyone from the Government side.

I heard the Premier on the radio state clearly that he would seek from the Opposition a more responsible approach in terms of the time needed to discuss Bills. At that stage I spoke to my deputy leader here because I intended to write to the Premier immediately and say that I was having some problems in respect of two Bills because of their complexity. A request went from our leader to the Premier, and it seems strange to me that if the Government is prepared to debate the Bill on 20 December, why was not that offer made to us in response to our letter? It is because of the complexity of legislation that at times I seek a little more time to enable me more adequately to not only understand it, but also report it to my electors.

Mr President, I see hatred developing in this House. I experienced that hatred on the weekend when a number of calls were made to my home reporting to me on the opening of the Herbie Graham recreation complex, which was opened by the Premier. Those calls reported two aspects. First they reported the speech of the Premier, which was a truly political speech, as I was told—and I am taking it second-hand. Richard Court attended because I was already committed to another function. He also confirmed to me that it was a highly political function at which the Premier, when speaking of the late Herbie Graham, made some reference along the lines that he had an intense dislike for Liberals, just as the Premier had.

That seems to me to be quite out of keeping with the type of local government function that it was. Unfortunately, I could not attend this function, which was held in a shire of which I represent a fair proportion. However, I sent a telegram apologising because I was unable to attend. It was reported to me that the mayor handed the telegram to the councillor of the district—Councillor Brittain—to read out, as is normal. Councillor Brittain promptly tore it up and said it had been reported to him I had denigrated the late Herbie Graham in the House.

Mr President, I was fortunate that my copy of *Hansard* was at home, as I had not had time to read it previously. When the telephone calls came in, I was able to read out from *Hansard* exactly what had been reported. Very clearly, from that report, I did not at any stage denigrate the late Herbie Graham. Certainly, I questioned his policies related to taverns and liquor licences. On that night, in answer to an interjection by the Hon. Graham Edwards, I made it clear that I was not talking about whether Herbie Graham was a good or a bad man. I was talking about his liquor policy.

Two things came out of that function, which I would like to demonstrate to the House tonight. Firstly, Councillor Brittain, in tearing up the telegram, demonstrated his intense dislike for a Liberal member, of which he makes no secret. Secondly, the Premier, in making a highly political speech which demonstrated dislike, and even hatred, of Liberals, was out of keeping with his office.

Tonight we see this festering sore demonstrated here in the House. The Government has reneged on agreements as, incidentally, it consistently has. It amazed me that we even accepted the agreement. History shows the same thing occurred when the House debated the bingo Bill. The Government was then in Opposition and within five minutes of the vote it called off pairs. Today, the same thing is demonstrated—an intense hate for Liberals.

Hon. D. K. Dans: I don't like you saying that, because it is not true. I have no hate in me and I don't like it being said about Liberals or anyone else.

Hon. P. H. WELLS: It was reported to me by the public, that the Premier, in making reference to Herbie Graham, referred to what I had said. The Premier indicated that the view of Herbie Graham on the subject of Liberals was the same as his own. I would like to point out that as tempers have flared at different times tonight, the Leader of the House demonstrated that he would do things in spite. I do not agree with his attitude. I think it is ridiculous that we are here at 5 o'clock in the morning. In terms of the Parliament looking at reform, and having adequate time to discuss—

Hon. D. K. Dans: Who has kept us here until five o'clock?

Hon. P. H. WELLS: I would just like to point out—

Several members interjected.

Hon. P. H. WELLS: Mr President, I do not think the Leader of the House actually heard me list the number of Bills, but on none of the Bills that were discussed tonight was there a massive debate. Secondly, to enable and to accommodate what I understood the leader was doing, and although I intended to raise points in connection with the Hospitals Amendment Bill, I did not raise those points tonight, and certainly in respect of the other Bills that I was involved with I tried to accommodate the desire for brevity because of the impending end of this session. I point out now, that in terms of seven Bills that were actually debated at some stage, the average debate was 1½ hours. I would not say that 1½ hours is any great time. The decision to sit to this hour was made by the leader when he chose to carry on and deal with areas with which we had an agreement not to proceed.

Hon. D. K. Dans: No, you are wrong there.

Hon. P. H. WELLS: As I understand it, that agreement was made with the Premier, but Mr Dans in discussion with Mr Masters indicated also that that was the procedure to be adopted. As I understood it, the Financial Institutions Duty Bill—

Hon. D. K. Dans: Before an attempt was made to emasculate the Western Australian Development Corporation Bill.

Hon. P. H. WELLS: The Leader of the House is saying he changed his mind.

Several members interjected.

Hon. P. H. WELLS: The Leader of the House has changed his mind, and I do not deny him that right; but he has asked why we are here until this hour. We are here until this hour because, as Leader of the House, he has decided that we need to sit. That is his right. At different times I heard that the Financial Institutions Duty Bill was going right through all stages and then that it would be delayed. That caused me some concern because I had made plans based on the information provided to me. That information caused me to leave one of my major files away from the House and if the debate proceeded I would have had to search through my other files to cover the material I did not have with me.

It is reasonable to think that the Government has a right to run the House. I would not agree with one of the interjections made tonight that every member of the ALP is the Government. As I understand it, the Government of this State is represented in this House by the three Ministers on the front bench and in another place by the Premier and the remaining Ministers. By the law of this State they are the Government, not the other members of the ALP. Their only requirement in order to be able to govern this State is that they be granted supply. It may be that every Government member feels that he or she is the Government, but as I understand it the only commission to govern this State is provided to the Premier and the Ministers with responsibility in particular areas.That is not a role that every member of a party can claim as a right.

If the Government feels that something has occurred tonight about which it is unhappy, it must also accept that to a fair degree it engineered the problem itself.

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [5.03 a.m.]: We have had an extraordinary debate on the adjournment. The Opposition started in a rather bombastic way and that degenerated further with—

Several members interjected.

Hon. J. M. BERINSON: —Mr Pratt's contribution to the debate. In an approach which defies rationality and logic, Mr Pratt sought to put to the House that nothing at all out of the ordinary had happened tonight; no business had been taken out of the hands or out of the control of the Government and, all in all, he found it very difficult to understand how that proposition could even be advanced.

Hon. I. G. Pratt: Whose motion was agreed to?

Hon. J. M. BERINSON: He arrived at that extraordinary conclusion by saying that it was not

the Opposition's motion to defer debate that in the end was carried. He says that it was my amendment that was carried and that means that the Government's view of the proper order of business prevailed. What Mr Pratt really is suggesting by that flight of fancy is that Mr Masters' postponement motion to next March was not really seriously meant; either that, or that it was meant by Mr Masters, but that his own members would have deserted him when it came to the vote. Is that what is being said? If it is, let me suggest to Mr Pratt—

Hon. I. G. Pratt: Do you want to know what is being said? You have asked the question.

Hon. J. M. BERINSON: —that no-one will believe him. Leaders do not move motions without the confidence that they have at least the support of their party, because without at least that basic confidence one is left without a party in the Parliament and one is reduced to a rabble. Perhaps that indeed is the position at which the Opposition has arrived. The Government made it perfectly clear that it wanted the development corporation Bill to proceed. We did not volunteer the delay; we were clearly coerced into it.

Not only that, but even if this convoluted logic of Mr Pratt were to be accepted, how does that fit in with what happened, within minutes, to the Acts Amendment and Repeal (Industrial Relations) Bill? Who believes that, almost four weeks after the introduction of a Bill, when the second reading of that Bill is called on for debate, it is the intention of the Government that the debate should consist of one short contribution and then an adjournment by another member of the Opposition? Is that also suggested? Again I would say, no-one would believe that. Whatever happened on the Western Australian Development Corporation Bill, the adjournment of the industrial relations legislation was not carried on the motion of the Government; it was carried on the motion of the Opposition.

Twice, within one night—and indeed, within a matter of minutes—the Government's control of this House was put aside by the Opposition and control was exercised by the Opposition instead. Mr President, where is this process going to end? Certainly, what has happened today cannot be repeated without entirely destroying what little respect this Chamber retains.

We do not deny that the Opposition has the numbers in this House and clearly consequences follow from that; but, similarly, the Opposition must not deny to the Government the prerogative which previously has always been conceded to it. That prerogative is that whether a Bill is passed or rejected, the business of the Parliament is in the hands of the Government, not in the hands of the Opposition. It is that prerogative which has been put aside by the conduct of the Opposition tonight. It is shameful conduct and ought never to be repeated.

HON. D. J. WORDSWORTH (South) [5.08 a.m.]: I believe Mr Berinson has come to this place with some foul habits from Canberra—

Hon. Peter Dowding: Grow up, Wordsworth!

Hon. D. J. WORDSWORTH: —and one of them, Mr President, is this business of insisting that the House does not adjourn a debate. Before Mr Berinson came here, it was common practice to have probably one, two or, perhaps, three speeches to a Bill—

Hon. Peter Dowding: Then go off and have a bottle of claret, was it?

Hon. D. J. WORDSWORTH: And the House was a lot better off before the Minister got here, too.

Several members interjected.

Hon. D. J. WORDSWORTH: Mr President, as you know, that has been the tradition of this House for a long, long while. Since Mr Berinson came here he has complained at odd times about the business of adjourning debates; I think it is about time we got it straight.

Hon. D. K. Dans: I cannot remember—

Hon. D. J. WORDSWORTH: Then the Leader of the House has a very poor memory—I have not.

Several members interjected.

The PRESIDENT: Order!

Hon. D. J. WORDSWORTH: Mr Berinson has made this statement tonight and I would like to take him up on it. It is about time we did. I think this House was the better for that form of debating which was traditionally carried out in this place. Under that form of debate there was a chance for what had been said to be made public, to be corrected if need be, and then for other speakers to come forward with additional information.

Hon. Peter Dowding: That is a matter for the managers of the House.

Hon. D. J. WORDSWORTH: We seem to have lost that now.

In my opinion we saw the ideal example with the WADCO where the Minister was able to correct Mr Lewis on certain matters. That is all the better in a debate. If debate can continue afterwards on a corrected basis, much better debate is

achieved, and ultimately, better legislation. I think it was quite all right for this Bill to be adjourned after one speech.

Hon. Peter Dowding: That is a matter for the Government to decide, not for you.

Several members interjected.

Hon. D. J. WORDSWORTH: Mr President, a person on this side of the House did not adjourn the debate; he moved a motion which was agreed to by this House. Mr Berinson did not object. He had the right to say, "No" when the vote was put. When a member of this House moved that the debate be adjourned, it was a perfect opportunity for Mr Berinson to object. Now he is objecting and I believe he is out of order in bringing it up, because it has already been brought up in this House and it was not voted against.

Question put and passed.

House adjourned at 5.11 a.m. (Wednesday).

QUESTIONS ON NOTICE

HOUSING: LAND

Sale: Smith Corporation Pty. Ltd.

760. Hon. N. F. MOORE, to the Minister for Mines representing the Minister for Housing:

In response to my question 731 of Wednesday, 23 November 1983, the Minister advised that the Smith Corporation has a contract with the Government on land and housing matters. Will the Minister provide details of this contract?

Hon. PETER DOWDING replied:

The contractual arrangements negotiated with Mr Smith are similar to, and have been based on, arrangements negotiated by the previous government with Mr C. H. Campbell, and accordingly, it is anticipated that payments will be similar.

STATE FINANCE

Financial Institutions Duty: Exemptions

763. Hon. P. G. PENDAL, to the Leader of the House representing the Premier:

(1) Did the Premier of South Australia advise him on Monday that he, Mr Burke, would be well advised to accept an amendment to the Financial Institutions Duty Bill to allow exemptions for religious and charitable bodies?

(2) If so, what was his response?

Hon. D. K. DANS replied:

(1) and (2) No, in fact the Premier of South Australia advised that any amendment as suggested was opposed by the financial institutions and was more difficult in terms of administration for the bodies exempted because it created additional work in complying with exemption requirements.

HOUSING

Walpole

764. Hon. W. N. STRETCH, to the Minister for Mines representing the Minister for Housing:

(1) Has the State Housing Commission sold all of its existing houses in Walpole?

(2) If not all, how many commission houses are rented out or available there?

(3) Is the SHC planning to build new houses to meet the need for rental accommodation in Walpole?

Hon. PETER DOWDING replied:

(1) No.

(2) Four.

(3) There is no registered demand for family housing with the State Housing Commission.

CULTURAL AFFAIRS: FILM

"Death in the West"

765. Hon. MARK NEVILL, to the Attorney General representing the Minister for Education:

(1) Is the Minister aware of an anti-smoking film called "Death in the West" produced by Thames Television?

(2) Is he also aware that the film is being circulated through schools by a group of Melbourne doctors?

(3) Will he arrange for his department to acquire a copy of the film and have it shown in Western Australian schools?

Hon. J. M. BERINSON replied:

(1) Yes.

(2) I understand that copies of the film are available for screening through the Cancer Foundation and National Heart Foundation in this State. I have no information to suggest that the film is being circulated through schools in this State.

(3) Acquisition of a copy of the film by the Education Department would require a copyright clearance by Thames Television. This matter will be investigated.

QUESTIONS WITHOUT NOTICE

INDUSTRIAL RELATIONS: DISPUTE

Electrical Trades Union: AC Electrics

194. Hon. G. E. MASTERS, to the Leader of the House:

Which Minister was responsible for arranging for the Public Works Department to tell workers of AC Electrics not to report to work on the Alexander Library construction site today? I ask that question because I am advised that one of the principals of the company had 14

men on site yesterday and was intending to come back today, but was given the message on a notice by the PWD that he and his men should not go on site, despite the fact that they were union members and were acting in an appropriate fashion.

Hon. D. K. DANS replied:

I am not acquainted with all the details of the matter as I returned from Bunbury only this morning, but I have, as a result of a media inquiry, caused some investigation to be made. I am advised that the Public Works Department advised none of the employers whatsoever to take the action referred to by the member. I have been advised, but it is without real foundation, that the instruction was given by Multiplex Constructions Pty. Ltd. As yet I have no way of checking that information.

INDUSTRIAL RELATIONS: DISPUTE

Electrical Trades Union: AC Electrics

195. Hon. G. E. MASTERS, to the Leader of the House:

I thank the Leader of the House for his comments and ask: Did the Minister concerned know that the principal contractor who gave that message to AC Electrics, in particular Mr Powell, said that it was a direction given to him by the Public Works Department, and that he conveyed that direction to the company?

Hon. D. K. DANS replied:

Again my comments are unsubstantiated, because I have not had sufficient time to look into the matter.

Yes, I have been advised that that was alleged to have happened, but it has been denied by the Public Works Department.

INDUSTRIAL RELATIONS: DISPUTE

Electrical Trades Union: AC Electrics

196. Hon. G. E. MASTERS, to the Leader of the House:

(1) Is the Minister aware that while workers from the company I have referred to were on site, a number of members of the ETU, including Messrs Gandini and Palmer, went on site and threatened them? The threats were made in the worst possible language and referred to sending the company broke with a result that the men would have no work in the future.

(2) Has the Minister received a complaint?

(3) If so, did he send inspectors to the site?

(4) If not, will he direct inspectors responsible for the protection of these people to investigate the complaints?

Hon. D. K. DANS replied:

(1) to (4) I have not heard of this incident at all. If the matter is referred to me I will take the appropriate action, possibly not with inspectors.

INDUSTRIAL RELATIONS: DISPUTE

Electrical Trades Union: AC Electrics

197. Hon. G. E. MASTERS, to the Leader of the House:

If the Minister does not propose using inspectors, who would he use?

Hon. D. K. DANS replied:

If I take any action, the member will know about it as soon as any other person.