

Legislative Council

Wednesday, 22 December 1982

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

BILLS (48): ASSENT

Messages from the Governor received and read notifying assent to the following Bills—

1. Motor Vehicle (Third Party Insurance) Amendment Bill.
2. Road Traffic Amendment Bill (No. 2).
3. Western Australian Overseas Projects Authority Amendment Bill.
4. Hospitals Amendment Bill.
5. Acts Amendment (Bail) Bill.
6. Liquor Amendment Bill (No. 3).
7. Offenders Probation and Parole Amendment Bill.
8. Aerial Spraying Control Amendment Bill.
9. Bail Bill.
10. Chicken Meat Industry Amendment Bill.
11. Grain Marketing Amendment Bill.
12. Law Reform (Miscellaneous Provisions) Amendment Bill.
13. Stamp Amendment Bill (No. 4).
14. Waterways Conservation Amendment Bill.
15. City of Perth Parking Facilities Amendment Bill.
16. Cemeteries Amendment Bill.
17. Stamp Amendment Bill (No. 5).
18. Metropolitan Water Supply, Sewerage, and Drainage Amendment Bill (No. 3).
19. Metropolitan Water Authority Amendment Bill.
20. Laporte Industrial Factory Agreement Amendment Bill.
21. Local Government Amendment Bill (No. 4).
22. Petroleum Retailers Rights and Liabilities Bill.
23. Land Amendment Bill (No. 3).
24. Alumina Refinery (Worsley) Agreement Amendment Bill.
25. Education Amendment Bill.
26. Acts Amendment (Aboriginal Affairs Planning Authority) Bill.
27. Acts Amendment (Betting and Gaming) Bill.
28. Appropriation (General Loan Fund) Bill.
29. Wheat Marketing Amendment Bill.
30. Bread Bill.
31. Kalgoorlie Country Club (Inc.) Bill.
32. Fire Brigades Amendment Bill (No. 2).
33. Stamp Amendment Bill (No. 6).
34. Human Tissue and Transplant Bill.
35. Appropriation (Consolidated Revenue Fund) Bill.
36. Reserves Bill (No. 2).
37. Criminal Injuries Compensation Bill.
38. Industrial Arbitration Amendment Bill (No. 2).
39. Loan Bill.
40. Bulk Handling Amendment Bill (No. 2).
41. Town Planning and Development Amendment Bill.
42. Acts Amendment (Mining) Bill.
43. Electoral Amendment Bill (No. 2).
44. Justices Amendment Bill.
45. Justices Amendment Bill (No. 2).
46. Legal Aid Commission Amendment Bill.
47. Local Courts Amendment Bill.
48. Pay-roll Tax Assessment Amendment Bill.

HEALTH

Nickol Bay Hospital: Petition

On motions by the Hon. Peter Dowding, the following petition bearing the signatures of 1 739 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 sheweth that the attached statement concerning the problems of conditions at Nickol Bay Hospital, namely that:

- (a) There is no doctor permanently at Nickol Bay Hospital giving rise to the situation of people having to wait for the doctor on call to arrive in the case of an emergency
- (b) The emergency access facilities are inappropriate
- (c) There is no adequate signposting to mark the Hospital's position, particularly at night

is an accurate account of the difficulties being faced by many families in the town of Karratha.

Your Petitioners most humbly pray that the Legislative Council, in Parliament assembled, should arrange for an investigation of the situation in Karratha with a view to alleviating the problems of having no permanent doctor at the hospital and inappropriate and inadequate emergency access facilities and signposting for getting to the hospital, by whatever means possible.

And Your Petitioners, as in duty bound, will ever pray.

(See paper No. 580).

QUESTIONS

Questions were taken at this stage.

LEGISLATIVE COUNCIL

Suspension

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [5.17 p.m.]: I move—

That the sitting be suspended until the ringing of the bells.

Child Welfare Amendment Bill (No. 2): Debate

THE HON. LYLA ELLIOTT (North-East Metropolitan) [5.18 p.m.]: I oppose the motion. This is another ploy on the part of the Government to avoid debate on the Bill I presented to this Chamber in November. It is a cowardly way for the Government to handle my Bill. The way the Government handled the matter before was to leave it on the bottom of the notice paper until three o'clock of the morning we last sat and then move to adjourn it to the next sitting of the House. The Government outsmarted itself, because it did not realise the next sitting would be today; it thought it would be some time in August of next year. It was quite wrong of the Government to handle my legislation in that manner.

The motion just moved by the Attorney General obviously is designed to stifle any debate on my Bill until the Bill being debated in another place arrives here; and then, probably at three o'clock in the morning, my Bill will be left on the notice paper until the next sitting of Parliament.

It is quite obvious I will not be given the right of reply, because the Government does not have the decency to allow me to deal with the Bill in the normal way and to reply to the arguments put by the Government speaker, the Chief Secretary, who treated my Bill with contempt, as did the Government as a whole. He spoke for just two minutes on this very important issue of child pro-

tection and then his colleague, Mr Ferry, moved the adjournment. It was a disgraceful way for the Bill to have been handled by the Government. So, Mr President, with your permission I will now proceed to speak about some of the principal issues involved.

The PRESIDENT: Order! The honourable member will be out of order if she does proceed as she has indicated. She is perfectly free to continue to give reasons that the House should not adjourn until the ringing of the bells; she is certainly not free to talk about any other matter.

The Hon. LYLA ELLIOTT: I feel we should not adjourn because it is now 5.20 p.m. and it is quite obvious that, normally, we would not break for dinner until 6.00 p.m. At the normal resumption time of 7.30 p.m. the legislation presently in the other place might not be ready to come here.

What I am saying is this: We have plenty of time to debate my Bill. It is an important Bill and should not be treated in the way the Government has treated it. It concerns the protection of children.

The present Minister for Community Welfare has a report from his departmental head, who has just come back from an international conference which dealt with the protection of children from pornography. The report indicates that it is urgent that legislation be introduced to protect children in all countries. If the Bill is not dealt with today this State will have no legislation to protect children. The matter will not be looked at until August of next year irrespective of which party is in power.

Let me read from the Press statement of the Minister for Community Welfare to indicate why it is urgent that we do not adjourn now but should debate the Bill I introduced last session. I quote as follows—

THE Community Welfare Minister, Mr Shalders, is considering recommendations to the Cabinet on changes to the Child Welfare Act to deal with sexual exploitation of children.

The recommendations were made after the Community Welfare Director, Mr Keith Maine, had attended an international congress in Paris on child abuse and neglect.

The congress said that all countries required strong protective legislation for children to prevent their exploitation for pornographic material.

Mr Shalders said he had received a report from Mr Maine.

The congress had said that without this legislation children in one country could be used to supply the pornographic market in another country or State through video, film or magazine outlets.

The PRESIDENT: Order! I am certainly not trying to prevent the honourable member from placing her views on the motion currently before the House. Unfortunately she is straying a long way from the subject and I recommend that she gives reasons that the House should not adjourn until the ringing of the bells. Standing Order No. 88 specifically precludes her from talking about the matter which she is now talking about. I want to be accommodating because I know how she feels about the subject, but the fact is that she cannot talk about that subject at present. With that in mind I suggest she sticks to the motion, which is that the House should adjourn until the ringing of the bells.

The Hon. LYLA ELLIOTT: I accept your ruling Mr President. I did not want to have to do this but desperation forces me to try this avenue of getting my point across, because obviously the Government is treating this Bill with contempt just as it did previously. Obviously it will not allow me to debate my Bill.

The point I was trying to make by reading from the Press statement is that it is essential that early steps be taken to introduce legislation to protect children from pornography. If we accept the Attorney General's motion to adjourn the House it will be the end of my Bill until August next year. I will not proceed to canvass the principles of the Bill but it is a very important one. If this House accepts the Attorney's motion, it is saying it is not interested in protecting children from pornography.

THE HON. R. G. PIKE (North Metropolitan—Chief Secretary) [5.25 p.m.]: I think the House ought not to adjourn until I make the following extremely brief point, which is this: In regard to the Bill introduced by the Hon. Lyla Elliott the facts are that the Minister is on record as saying that every consideration for the recommendations contained in the member's amendment and the issues raised would be taken into account. The Minister has now received the report on child pornography and the exploitation of children for pornographic material. The Government regards this as a very serious matter, but there is no evidence of it existing in this State.

The PRESIDENT: Order! The Minister is doing precisely what I have just directed another honourable member not to do. I ask him to give reasons that the House ought not to adjourn until

the ringing of the bells or to give reasons that it should.

The Hon. R. G. PIKE: I apologise for mentioning the fact that the Government is taking notice of the amendment moved by the Hon. Lyla Elliott, because it is relevant to the adjournment. We intend to continue to do so and the matter will be referred by the Minister to a conference of Welfare Ministers, where the matter will be taken properly into consideration and not rushed, as happens at the end of a session.

The PRESIDENT: Order! The Chief Secretary continues to follow the line I suggested he ought not to take. The question is that the House adjourn until the ringing of the bells.

THE HON. PETER DOWDING (North) [5.27 p.m.]: I support the remarks of the Hon. Lyla Elliott and I deplore the fatuous response of the Chief Secretary, because he well knows the Parliament has a role to play in debating issues as well as simply making Press statements, as he said he had in answer to, an earlier question, or drawing something to the attention of the Government upon which it might or might not act, as he said in answer to the Hon. Lyla Elliott.

The tragedy of the way in which this Government has operated in its tottering three years, including this last session, has been that it has declined to permit a democratic role for Parliament and for the members of Parliament. It has sought constantly to interfere in the opportunity for debate in the sense that it has not permitted this very important Bill introduced by the Hon. Lyla Elliott to be debated. Now we are being asked to rise until we are ready for the next item of Government business rather than to spend the next half hour usefully employing taxpayers' money by debating this important issue.

The Chief Secretary and the Attorney General want us to get up and hang around the halls of Parliament until the next item of business is available for debate. I see absolutely no justification at all that we should be required to do that when there is business on the notice paper about which a debate should occur.

THE HON. ROBERT HETHERINGTON (East Metropolitan) [5.28 p.m.]: I oppose the motion. It is disgraceful that we should adjourn when we have a piece of legislation on the notice paper which could be discussed. The Government is behaving in a most despicable fashion. The Attorney in moving this motion should be ashamed of himself.

The Bill introduced by my friend Miss Elliott deals with a very important matter. It is a short Bill dealing with two important aspects of a sub-

ject which should be dealt with before we get up. We have time to deal with it; we have time to deal with it right now; we have time to get some decent social legislation instead of the fatuous nonsense that may be before us later. We are ignoring Miss Elliott's Bill at the same time that a report to which the Chief Secretary referred has been presented to the Minister suggesting that the matter dealt with by the Bill is in fact urgent.

Evidence has been put before me since the Parliament last rose that there is indeed child pornography and child prostitution in Perth. I do not know whether that is true, but whatever the Government may intend to do and however it may intend to pad out legislation, the simple provisions in the Bill on the notice paper that should be before the House would in no way get in the way of any future legislation. Therefore, the Bill not only should be debated, but also should be passed.

We will not debate this measure because the Government has not the courage to defeat it, and this is obvious because we are going through the fatuous business of suspending the sitting. The Government stands before the State as a Government with very little honour and with the shame of its own vacillation. This is really quite degrading to the Government.

Question put and a division called for.

Bells rung and the House divided.

Remark during Division

The Hon. Robert Hetherington: Now we know how this Government regards Parliament—as a bloody rubber stamp!

Result of Division

Division resulted as follows—

Ayes 19

Hon. N. E. Baxter	Hon. Neil Oliver
Hon. V. J. Ferry	Hon. P. G. Pandal
Hon. H. W. Gayfer	Hon. W. M. Piesse
Hon. Tom Knight	Hon. R. G. Pike
Hon. P. H. Lockyer	Hon. I. G. Pratt
Hon. G. C. Mackinnon	Hon. P. H. Wells
Hon. G. E. Masters	Hon. R. J. L. Williams
Hon. Neil McNeill	Hon. D. J. Wordsworth
Hon. I. G. Medcalf	Hon. Margaret McAleer
Hon. N. F. Moore	(Teller)

Noes 9

Hon. J. M. Berinson	Hon. Robert Hetherington
Hon. J. M. Brown	Hon. Garry Kelly
Hon. D. K. Dans	Hon. Tom Stephens
Hon. Peter Dowding	Hon. Fred McKenzie
Hon. Lyla Elliott	(Teller)

Question thus passed.

Sitting suspended from 5.35 to 7.30 p.m.

SALARIES AND WAGES FREEZE BILL

Receipt and First Reading

Bill received from the Assembly and, on motion by the Hon. G. E. Masters (Minister for Labour and Industry), read a first time.

Second Reading

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [7.31 p.m.]: I move—

That the Bill be now read a second time.

The Bill is cited as the Salaries and Wages Freeze Bill 1982 and its purpose is to ensure that an agreement reached at the Premiers' Conference on 7 December 1982, for a wages freeze throughout Australia is given effect in Western Australia to the greatest possible extent in both the public and private sectors. The State Government has many reasons for introducing this legislation but I wish to emphasise four main reasons at the outset of this debate.

The preservation of jobs is the major concern of this Government. There is a direct link between the level of wages and the level of employment and it is undeniable that we face a choice between wages and jobs. A second objective is to provide jobs for the unemployed. Today the eight per cent of Australians who are unemployed are carrying the full burden of our economic recession and it is time that they were helped. Our third objective is the preservation of small business. It is no coincidence that the failure of small business and the rise in unemployment are happening at the same time. Finally, we wish to retain and strengthen the stability and security of community life in Western Australia. These are most directly threatened by unemployment.

I will now deal with these points at greater length to demonstrate the link between them and this legislation, but before I do so I should point out that all four of these points could be summarised in one word: jobs. What this legislation is all about is jobs. There is no room for shirking the issue or evading the point. This House is assembled today for the preservation and creation of jobs for ordinary, decent Western Australians.

Western Australia has been performing better than the national economy in terms of job creation. In the year to October our employed labour force increased by 1.9 per cent compared with a decline in employment in Australia as a whole. This is an excellent result and comes as a direct result of the constructive policies of a Government the first concern of which is to provide opportunities for people.

However the increase in employment is not as great as is required, particularly when we consider the rapid deterioration of the economy in other parts of Australia. Far too many people are unemployed and in the present situation there are too many people whose jobs are threatened.

The first effect of a wages freeze will be to make these jobs more secure than they are today. A wages freeze will take away the threat of ever-spiralling wages and will give industry encouragement to persevere with the existing work-force instead of contemplating retrenchments in order to reduce costs.

It is an unavoidable fact of Australian life that ours is an export-oriented economy and always will be. Our ability to provide jobs for our people will always be heavily dependent on our ability to trade on international markets. In recent times, and most particularly in the last 12 months, we have progressively priced ourselves out of the international market place. Our loss of competitiveness can be seen when we examine our rate of inflation compared with some of our major competitors over the last two years.

The inflation rate in Australia now stands at 12.3 per cent in contrast to a rate of 9.7 per cent in 1981. In the United Kingdom inflation has fallen from 18.4 per cent in 1980 to 7.5 per cent in September this year. In Japan it fell from 7.7 per cent to 3.3 per cent. In the United States it fell from 13.5 per cent to five per cent. The figures are stark and the meaning is clear.

The Hon. Garry Kelly: It is all due to wages!

The Hon. G. E. MASTERS: If Mr Kelly listens he will learn.

The PRESIDENT: Order!

The Hon. G. E. MASTERS: We have put ourselves at a serious disadvantage at a time when total world trade is declining. The basic cause of this loss of competitiveness lies in the costs we impose on industry through wages and conditions.

The Hon. Robert Hetherington: Nonsense!

The Hon. G. E. MASTERS: In the 12 months to the end of September 1982 wages in Australia rose by 17 per cent compared with the CPI rise of 12.3 per cent. By contrast, wage settlements in the other countries I have mentioned averaged less than their much lower rates of inflation.

The Hon. Garry Kelly: Because centralised wage fixing has been abandoned!

The Hon. G. E. MASTERS: Clearly it is our turn to take a pause in wage increases.

The Hon. Garry Kelly: What about prices?

The Hon. G. E. MASTERS: In addition to lifting our wages in excess of a third more than the inflation rate, we introduced the 38-hour week in many key industries. This added five per cent to the hourly cost of labour, and eight per cent in those industries where additional overtime was worked to compensate for the loss of productive time.

Unlike most of our competitors Australians generally enjoy four weeks' annual leave, and that additional week's leave adds more than two per cent to the hourly cost of labour. Added to this we have our peculiar annual leave loading, our almost unique long service leave scheme and a system of overtime and penalty rates which leaves the rest of the world flabbergasted and which is severely hampering many Australian industries. All of these things taken together make extremely generous working conditions. But in today's circumstances we can continue to afford these conditions for the work force only by reducing the work force.

The fact is that the national income is declining in real terms. That means that the maintenance of real personal incomes must mean fewer incomes, and that is precisely what is happening. Fewer Australians are earning an income today than there were 12 months ago.

If we are to reverse this trend and preserve the jobs of many thousands of people whose employment is currently at risk, we must stop increasing the take of those who still have jobs.

The Hon. Garry Kelly: Slash wages!

The Hon. G. E. MASTERS: While wages have been increasing, profits and investment have been declining and unemployment has gone up. If the wages freeze is not imposed by Governments now it will soon be imposed brutally by a collapse in employment. We must act now to prevent such a collapse, which would throw hundreds of thousands more Australians out of work.

That is why the Government says that its first objective is to preserve the jobs of those who have them; and our second objective—the creation of new jobs—is a natural extension of the first. By preserving existing jobs and by improving the prospects for profitability in industry for reinvestment in new employment we will begin the cycle of getting the unemployed back into the work force.

The pattern can be seen most easily by an examination of the effects of the freeze on Government funds. The Federal Government has already guaranteed to make available an additional \$300 million for employment-generating capital works in the States.

The Hon. Garry Kelly: Won't demand suffer?

The Hon. G. E. MASTERS: This is money that will be saved as a direct result of the wages freeze.

The Hon. Robert Hetherington: It will be lost in taxation.

The Hon. G. E. MASTERS: It is money that the comfortably placed employed will be sharing with the unemployed. They will be sharing it, not through the dole, but through constructive work programmes which will bring benefit to the entire community.

It is difficult to imagine how any Australian in the current circumstances could argue against such a fair and sensible arrangement. The money will be put immediately into housing programmes and other public works. It will provide some new jobs and it will provide the orders which will preserve the jobs of many of those now in employment. A similar pattern will occur in the private sector.

The third objective I mentioned was the preservation of small business. It is an absolute travesty for any person to claim to support small business and simultaneously to campaign for higher and higher wages. The mortality rate among small businesses in Australia has grown steadily as the proportion of national income devoted to wages has grown, and the mortality rate of small businesses is directly linked to rising unemployment.

Faced with ever increasing wage costs—and other costs, most of which stem from wage costs—businesses large and small have been forced to cut employment in order to reduce costs. But in the case of small businesses this process cannot go on for long and the business quickly loses viability.

Small business is the biggest source of employment in Australia. It is the strongest source of enterprise, the greatest innovator, the greatest provider of community funds, and our greatest hope for the future. We must give it a chance. We must ease the cost burden so that business can revitalise itself and win back for Australia the markets and the employment opportunities we have been losing.

It is a callous disregard of the facts of life to pretend that small businesses can go on carrying the burdens that have been thrust upon them. It also is a callous disregard of the facts to pretend that in the current circumstances industry could stand the shackles of prices control. Price controls which prevent small businesses making a profit will send those businesses to the wall just as certainly as will increasing costs.

I emphasise here that the attempts we have seen in recent days to create the impression that the public will be subjected to massive price rises are totally unjustified. The circumstances which exist today are totally different from those which applied when we had price fixing during the war. Price fixing has a role to play when goods are in short supply—such as during war time—and therefore could be subject to extortionate charges.

Today, however, there is intense competition to sell the goods we are already producing and there is a considerable excess of productive capacity in Australian industry. Consumers therefore have little to fear about excessive price rises because they themselves will have the whip hand.

Several members interjected.

The Hon. G. E. MASTERS: Who is making this speech?

The Hon. Robert Hetherington: You are not making a very good speech. In fact, you are a disgrace.

The Hon. G. E. MASTERS: Mr Hetherington says that every time.

The Hon. Robert Hetherington: I know; it is because you are a disgrace. You are the most disgraceful Minister I have seen.

The Hon. G. E. MASTERS: In addition to this the Government will closely monitor all prices to ensure that no one tries to take advantage of the situation.

I wish to emphasise also that prices control is not a practical proposition, particularly in relation to perishables such as fruit, vegetables, and meat and to goods imported from interstate or overseas.

However, our basic reason for rejecting the option of rigid prices control is that it would strangle small businesses and create unemployment just as surely as would a new round of wage rises.

Western Australia imports about \$2 500 million-worth of goods from overseas each year and about the same amount from other States. Many of these goods are required as inputs for manufacturing operations in this State.

The prices of these goods can fluctuate markedly for a variety of reasons including movements in the exchange rate. For instance, in the last 12 months our exchange rate in relation to the US dollar has deteriorated by about 20 per cent.

If the price of manufactured goods were fixed while the prices of their components were not, many more companies would be forced into bankruptcy and more jobs would be lost. In today's circumstances prices control is an attack on industry and an attack on jobs.

I also emphasise at this stage that the argument advanced by some that the solution to our problems is higher and higher wages so that people can spend more and more money is totally misguided. It is difficult to imagine how anyone can seriously advance such an argument in the face of the evidence available to us.

In the first place, this unusual contention ignores Australia's necessary involvement in international markets. Quite simply, we are unable to consume all that we produce and therefore are unable to rely upon our own consumption to maintain our industry and employment.

Even more obvious is the simple fact that if the argument for higher wages were true Australia would have had an outstanding period of economic growth in the last 12 months.

The Hon. Garry Kelly: What about the low-wage countries?

The Hon. G. E. MASTERS: Our economy would be booming, employment would be up, and we would have hardly a care in the world.

Of course, the real circumstances we face bear absolutely no resemblance to such a pleasant situation. The reason for the difference is that an excessive allocation of funds to wages in comparison with profits and investment does not produce economic well-being.

Union leaders and others who go on trying to mislead workers to the belief that higher wages are an economic cure-all are flying in the face of the most obvious of evidence. The fact is that we have allocated too much of the national income to personal wealth and not enough of it to the process of earning that wealth. The most effective way to restore the balance is to introduce a wages freeze such as that provided for in the Government's legislation.

The Government's fourth major objective I mentioned earlier was to preserve and strengthen the stability and security of community life in Western Australia. There can be no question but that unemployment and the threat of unemployment are among the most disturbing factors in family and community life today.

The Hon. Robert Hetherington: I am glad you have found that out at last.

The Hon. G. E. MASTERS: Now, professor: just listen for a moment.

For many people—and for an increasing number of people—the hardships of unemployment are a harsh reality. For many more, the fear for themselves or for their children is becoming an increasing strain on family life.

The Government has recognised this problem and has worked hard throughout the year to solve it. Overseas and interstate we have sought new industries to provide new opportunities in the work place. Although we have had some success, it needs to be remembered that projects of this kind take time to bear fruit.

Our programmes for more immediate employment generation include national leadership in the provision of housing assistance. We are involved in 19 different ways to help people buy or retain their homes. This imaginative programme has been of considerable assistance both to the families involved and in the provision of employment opportunities in the housing industry.

We have brought down a record billion dollar capital works programme which has been heavily oriented towards labour-intensive housing, construction, and maintenance programmes. We have accelerated the rate of application of these funds, bringing forward and reassigning more than \$17 million-worth of work.

We have frozen State taxes and charges for 12 months—

The Hon. Tom Stephens: Rubbish! Tell that to the workers in the north.

The Hon. G. E. MASTERS: —thus providing some relief for small businesses in their struggle to stay alive and keep their work forces intact.

We also provided further assistance to industry through some tax relief introduced in the State Budget.

Most recently we have devised a means for bringing forward the construction of the Royal Perth Hospital north block which will provide a good boost for the construction industry.

All of these are actions taken by a Government which has been aware of the problems facing people and which has been concerned to take action to alleviate those problems.

As I said earlier, we have been the most successful Government in Australia in the practical application of our concern to provide opportunities for people. We intend to maintain that position of national leadership.

The most important step we can take at this time is to introduce an effective wages pause to preserve jobs, to create jobs, to strengthen industry and to maintain the stability and security of the people of Western Australia.

That is the objective of the legislation I now present to the House. The essential provisions of the Bill are that wages will be frozen in both the public and private sectors for 12 months.

However, provision is made for people to receive an increase in remuneration by way of promotion, by undertaking higher duties, reclassification of their positions, and by annual increments where these apply.

Just as the corresponding Commonwealth legislation has not affected the indexed increases of pensions or Commonwealth superannuation payments, ours will not interfere with indexed increases in superannuation payments to retired employees of the State Government.

The Bill also contains a provision for an increase in the rate of remuneration payable to a person where in the opinion of the Minister a failure to permit the increase would result in significant hardship to the persons concerned.

The Hon. Robert Hetherington: Arbitrary judgment by a Minister.

The Hon. G. E. MASTERS: There is also provision for the State Government to maintain a close watch on prices so that the reduction in inflation which we expect to achieve for the benefit of all is not frittered away.

I will now deal with the provisions of the Bill in greater detail. The Bill shall come into operation on a day or days to be proclaimed. Parts of the Bill could be proclaimed at one stage and others at a different time. Proclamation can also allow for provisions of the Bill which are in operation to cease to be in operation and for those provisions to come into operation again.

The legislation is directed towards all industrial tribunals and remuneration fixing authorities in the State.

Part II of the Bill covers public sector remuneration and part III deals with remuneration in the private sector. Part II has extensive application to all persons employed by the State. It includes members of public authorities, such as commissions, trustees, directors and councillors; and "public authority" embraces all bodies established by or under a law of the State.

Under part III of the Bill no remuneration, as defined, shall be increased in the private sector for a period of 12 months after the Bill comes into operation.

The Hon. Peter Dowding: What about dividends?

The Hon. P. G. Pendal: Dividends already are down; you should know that.

The Hon. G. E. MASTERS: In this respect the Bill is in similar terms to part II which covers the public sector.

"Remuneration" includes wage, salary, allowances, fees, bonuses and gratuities. Reductions in

the hours of work, increases in paid travelling time and increases in holiday or leave entitlement are prevented under the legislation.

The Bill provides for penalties to be imposed on employers and persons who contravene the Bill by paying increases in remuneration. Prosecutions for offences can be instituted only by the Attorney General or an industrial inspector appointed under the Industrial Arbitration Act 1979.

The Minister for Labour and Industry will be required to consult with professional and trade associations to inform them of Government policy and obtain their co-operation. Those associations shall not increase or recommend an increase in fees, costs or charges to be made for services provided by their members.

Penalties are established for associations which breach this part of the Bill by increasing charges.

The Hon. Robert Hetherington: You love penalties, don't you?

The Hon. G. E. MASTERS: The Minister may exempt an association from the embargo on increasing charges if he is satisfied that an exceptional problem would result from such a restriction on increasing charges.

The Bill provides for regulations to be made to allow industrial tribunals to have certain matters referred to them for a recommendation to the Minister as to what steps should be taken with respect to that matter. The Minister may authorise an increase in the rate of remuneration for the purpose of implementing such a recommendation or otherwise. The Minister also may authorise an increase to resolve an exceptional problem.

The Treasurer has power under the Bill to nominate an officer to review prices continuously and to report to the Treasurer on movements in prices. He may appoint a committee to assist that officer.

The Hon. Garry Kelly: What happens if he does not like the officer?

The Hon. G. E. MASTERS: The operation of the legislation shall be reviewed by the Minister after six months with particular reference to the employment level in the State; prices in the State; and the rate of inflation in the State. Tribunals will be prevented from nullifying the advantages of the wages freeze in that retrospective increases cannot be granted when the freeze comes to an end.

Any increases in remuneration which have been determined but are not due to be payable until after the operative date of the legislation shall be frozen for the term of the operation of it. Such in-

creases would be put into effect from the date on which the legislation ceases to operate.

The Hon. Tom Stephens: Retrospective legislation, is it?

The Hon. G. E. MASTERS: Retrospective legislation—heaven help us!

I emphasise to the House that this Government views the present economic situation very seriously.

The public have demonstrated a growing awareness of the need to stop the never-ending spiral of wages, prices, inflation and unemployment. This legislation is a significant part of the Government's fight against unemployment.

I commend the Bill to the House.

THE HON. D. K. DANS (South Metropolitan—Leader of the Opposition) [7.52 p.m.]: First of all, let me place on record my personal resentment at being called back to Parliament for one day to debate what I consider to be a piece of political tripe.

The Hon. Lyla Elliott: Hear, hear!

The Hon. D. K. DANS: The advisers to the Government who prepared this legislation would be well aware that what they are purporting to do with this Bill is impossible to achieve. The parliamentary system of this State is being used for very shallow political purposes by a Government that does not know where it is going.

The Hon. Garry Kelly: There must be an election in the air.

Several members interjected.

The PRESIDENT: Order! I ask members to cease their interjections. Each member will be able to speak to the Bill, if he wishes to, but I ask him to do so when he has the eye of the Chair. In the meantime I ask honourable members not to interject.

The Hon. D. K. DANS: I presume I have the eye of the Chair.

The PRESIDENT: Yes.

The Hon. D. K. DANS: This legislation is really a freeze on wages and conditions, but its provisions will apply only to the wage and salary earners of this State. What this Government is attempting to do is to make the working people of this State pay for the economic mismanagement of the Fraser and O'Connor Governments. We on this side of the House cannot support that.

I do not intend to move any amendments to the Bill. This legislation is no good for the people of Western Australia.

The Hon. H. W. Gayfer: It would be embarrassing to the Assembly if you moved one!

The Hon. D. K. DANS: What does the proposed Bill set out to do? I believe we should look at what the Bill proposes, and that may take a little time. When I heard Mr Masters introduce the legislation I was fully convinced—as I was this morning when I heard the second reading speech in another place—that the Government of this State and the Government in Canberra—even though they know the true position—are not prepared to tell the people what it is really all about.

The Hon. P. G. Pental: I suppose you will tell us about Cain and Wran; do not give us the palaver about other States we usually get from you.

The Hon. D. K. DANS: In reply to the interjection from the Hon. Phillip Pental, I am making this speech on behalf of my party.

The Hon. Robert Hetherington: At least he wrote it for himself—not like the Minister's speech.

The Hon. D. K. DANS: What Mr Wran or Mr Cain choose to do is their own business.

The Hon. P. H. Lockyer: Or Mr Reynolds?

The Hon. D. K. DANS: Mr Reynolds can speak for himself—I am aware of that.

The Hon. Robert Hetherington: He does not run his party!

The Hon. D. K. DANS: It looks like it will be a long night—there will be many periods when nothing much is going on.

The Hon. Robert Hetherington: If Mr Lockyer speaks, there will not be much going on.

The Hon. D. K. DANS: This proposed legislation provides for a freeze on remuneration in both the public and the private sector. The term "remuneration" is defined as any wage, salary, emolument, or earnings, and includes any allowances—otherwise than by way of reimbursement. An increased remuneration is deemed to occur where there is a reduction in the hours without a proportionate corresponding reduction in the rate of remuneration, an increase in the minimum period of paid travelling time, or an increase in holiday or leave entitlement.

I do not want to get on to the nitty-gritty of this legislation just yet. What we are facing up to is not something that is applicable just to the State of WA or to Australia. It is a world-wide phenomenon, and the problem will not be solved by empty rhetoric or the recall of Parliament to try to pull the wool over the eyes of the public.

The Government wants to appear to be trying to do something. This legislation does not deal with dividends, piece work charges, or services not listed in the CPI. In the private sector it will prohibit employers from agreeing to pay any in-

creased remuneration, and it will prohibit professional trade associations from fixing or recommending to their members any increase in fees, costs, or charges. However, it does not prohibit the members from increasing fees, costs, or charges. Briefly stated, this means that under this legislation the Australian Medical Association could not recommend an increase in charges to its members, but it would not prevent any individual medical practitioner—as indeed any medical practitioner may do now—from fixing his own charge. If a medical practitioner does increase his charge, the Government is powerless to do anything about it. I am using the Australian Medical Association as an example, but the same situation applies right across the board.

The Hon. Robert Hetherington: That is equity for you.

The Hon. Garry Kelly: Professional thieves!

The Hon. D. K. DANS: I do not know whether they are professional thieves, but I am saying this legislation makes it possible for that section of the community to do as it pleases. In relation to the public sector, the legislation imposes no sanctions for obvious reasons because the Government, by its terms, controls the wage fixing process. In relation to the private sector, the legislation imposes penalties for taking any actions in an attempt to evade the wage fixing provisions. So this Government is going further than any other Government in Australia, and indeed further than the Federal Government ever contemplated. Not only is it endeavouring to put a wages freeze on the private sector, but also it is providing for very heavy penalties to be imposed on any one who evades it.

The penalties to be imposed are \$5 000 in the case of an individual and \$10 000 in the case of a body corporate, and the penalty will continue at the rate of \$500 a day. This Government in WA is hooked on penalties. It seems to think that if a penalty is high enough it makes the Government look very angry and the heavy penalty will make people jump through the hoop.

In the case of bodies corporate, liability is extended to the director or officers concerned in the management of the body corporate. This is the Government which, just a little while ago when referring to legislation then before this House, talked about the rights of the individual. The Government has amended the Industrial Arbitration Act—in fact it has just about torn it up.

The Hon. Robert Hetherington: It has really torn it up now, hasn't it?

The Hon. D. K. DANS: Having torn it up the Government now says, "We have no further confidence in the Act we introduced here. We have

given rights to the individual all right." Once the Government goes down the track to fascism, there is no end to it. It just goes on, and on, and on.

Similar penalties are imposed in relation to professional or trade associations. A plumber can do what he likes, but the Master Plumbers' Association cannot. The legislation in clause 11 (5) and clause 13 provides power to grant exemptions from the provisions in respect of the private sector. In order to grant those exemptions, the legislation does not give any clear example of what it will do; so already we have the classic wages pause situation coming to light. In my experience, not one wages pause anywhere in the world has not had holes and hurdles in it.

The Hon. Garry Kelly: It is a wages cut, really.

The Hon. D. K. DANS: We will come to that in a minute.

On reading tonight's paper, one learns the same kind of thing operates in New Zealand. Incidentally, that is a wages and prices freeze.

The Hon. Robert Hetherington: Some kind of nasty Conservative Government, too.

The Hon. D. K. DANS: At the same time, during the period of the wages and prices freeze in New Zealand, while prices are supposed to be frozen, they have risen some 7.5 per cent. Let members dwell on that for a moment. If prices have risen by 7.5 per cent under a prices freeze situation, one does not need a very vivid imagination to know what will happen in our situation where we have no restraint on prices.

I am not pleading for a prices freeze. What I am opposing is a wages pause, because it will do no good at all. Some years ago when excessive prices legislation was before this Chamber, I did some research. The only country in the world that I could find in which a wages and prices policy was effective—I understand as of today it is effective, because it was introduced by consensus—is in the tiny little country of Austria. If the Minister's advisers can come up with any other country in which such a policy is effective, I would be very happy to know about it. I emphasise that in Austria the policy was introduced by consensus of all of the people involved.

Our legislation provides power to refer exceptional items to a court; and the definition includes the Supreme Court, the District Court, the Local Court, the Industrial Commission, and the industrial magistrate. I am not very clear on that.

The legislation purports to act in relation to prices; but it does no more than authorise the appointment of an officer to monitor prices, and publish details of price increases. The officer will

have the widest possible powers. First of all, he can publish a price that he thinks is excessive. I presume that if the concern raising the price did not think it was excessive, it would take a similar space in the newspaper and give its justification. The monitoring officer will be able to do no more than that. If I were in business, I would be terrifically scared!

In relation to the rights of the individual, the officer will have the widest possible powers to demand from a person engaged or employed in any business or any trade information and documents in relation to the price analysis. What would he ask of a company with certain manufacturing processes, or certain business arrangements that were privy only to itself? The Government is making it possible for the inspector to demand that information. It could concern a transport operator who, because of the sophisticated way he runs his business, would not want that information in the hands of anyone else.

The Hon. H. W. Gayfer: We made that possible under the amendments to the Transport Act.

The Hon. D. K. DANS: Let us use some other Act.

The Hon. D. J. Wordsworth: You are arguing against price fixing.

The Hon. D. K. DANS: I am arguing against the wages pause. I thought Mr Wordsworth was asleep. I am arguing against a wages pause or a wages cut; and I will move on to that in a moment.

The Hon. D. J. Wordsworth: You are arguing against a freeze on prices.

The Hon. D. K. DANS: I am making the speech, and I am not doing anything about arguing against a price freeze. What I am saying is that the Government made such a play about the rights of the individuals just a few months ago; yet here it is taking away the rights of individuals to operate their own businesses.

The Hon. Robert Hetherington: That is right.

The Hon. G. E. Masters: Rubbish! What utter rot!

Opposition members interjected.

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

The Hon. D. K. DANS: The officer will have the widest possible powers. This is symptomatic of all the legislation. What does "the widest possible powers" mean? The officer will be given the power to demand information, not to gather it.

The Hon. Robert Hetherington: Yes, they are demanding.

The Hon. D. K. DANS: He can demand the documents from a person engaged or employed in any business or trade, in relation to the price fixing provisions. Goodness gracious me, even the Hon. Mr Gayfer would be worried about the operations of Co-operative Bulk Handling Ltd. in these circumstances.

The Hon. H. W. Gayfer: I am worried about it already.

The Hon. Peter Dowding: With this Government in power, that does not surprise me.

The Hon. D. K. DANS: The power to demand information applies to the private sector wages freeze, and since the industrial inspectors under the Industrial Arbitration Act have no power, it might be said that the private wages freeze provisions are toothless, particularly as the freeze includes directors' fees and remunerations which will go unchecked unless investigative powers exist. By way of interjection, we have already exposed that little effort. The Government is very selective in respect of the wages it wants to cut.

The Hon. Peter Dowding: And in the rights it wants to defend.

The Hon. Robert Hetherington: That is right.

The Hon. D. K. DANS: Where an award provides for increases—

The Hon. P. G. Pandal interjected.

The Hon. Peter Dowding: If I were the Minister, I would be pretty embarrassed, too.

The Hon. P. G. Pandal: You do not even believe it yourself.

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

The Hon. D. K. DANS: Where an award provides for increases to occur during the course of the 12 months' wages freeze, those increases can now occur at the expiration of the wages freeze. A court, in making an award, is now not permitted to provide for an increase at the expiration of the wages freeze. What will the Government tell me about that? I will come to that in a moment.

One of the astounding aspects of this legislation is that the Commonwealth Conciliation and Arbitration Commission will hand down a judgment tomorrow on a national wage case, on the application of the Federal Government in respect of freezing wages in the private sector. It will be interesting to see what decision the commission arrives at.

The timing of this legislation is so amateurish it almost makes one burst out laughing.

The Hon. H. W. Gayfer: When would have been the better time to do so?

The Hon. D. K. DANS: It would have been appropriate to see what the Commonwealth arbitration commission did tomorrow. Even Mr Gayfer would know, through his interest in CBH and its involvement in a number of Federal awards, that we have a tiger by the tail.

I do not like to speculate on what tribunals of any description might do, but I think I would be fairly close to the mark in saying the commission will probably go for something less than 12 months with certain qualifications and, at the same time, it will examine the two very important areas of how one goes into and comes out of a so-called "freeze".

This legislation does not include a provision commonly found in State legislation to the effect that the Bill is intended to be implemented to the extent of the State constitutional power. By its terms, the Bill purports to cover employers employing labour under Federal awards and to the extent that it is thus inconsistent with Federal awards, it will be invalid. To that extent, it will be of little value unless complementary Federal legislation is introduced.

Let us take the Waterside Workers Federation of Australia. One could argue that the wages of members of that federation in this State may have some deleterious effects on the economy if one accepted the argument of the Government, and I certainly do not.

Does the Government suggest seriously that increases which have been granted to the federation under Federal awards will not apply in Western Australia? No provision is made for the protection of employees in the Bill we have before us. It does not prevent the sacking of employees and it certainly does not create job security. Redundancy payments would fall within the definition of "remuneration" and if they have not been agreed to prior to the implementation of this legislation, would be illegal. Thus unless redundancy payments are included in an award, employers would have to seek a special certificate in order to grant them to their employees.

On that last point, when unemployment is galloping—I shall turn to the reasons for that shortly, none of which has been touched on by the Minister—and when it has been normal for people losing their employment to be provided with some form of redundancy payment, under this legislation they could get the golden handshake and not a penny in redundancy or severance pay unless some other third party agreed that they should do so.

Then again, State Government charges are not pegged and we have had the statement from the

Premier that he will not increase State Government charges until next June.

The Hon. Garry Kelly: What's new?

The Hon. D. K. DANS: When are State Government charges normally increased?

The Hon. Robert Hetherington: Each June.

The Hon. D. K. DANS: That is right.

Several members interjected.

The Hon. D. K. DANS: Of course, prices at large are not pegged. I think my faculty of sight is still with me and if I am wrong, I shall stand corrected; but the Premier made the statement in the Press that he would peg State Government charges until next June.

The legislation does not tackle any of the major problems—

Several members interjected.

The Hon. D. K. DANS: Such statements as, "We will create 100 000 jobs" and "We will beat inflation State by State" are responsible for the position we are in today. We are losing 600 jobs a week in this State.

The Hon. A. A. Lewis: It is interesting to hear that—

The Hon. P. G. Pental: Who wrote this speech for him?

The Hon. D. K. DANS: My research officer has been on holiday for a fortnight.

The Hon. P. G. Pental: You ought to get him back, because your speeches were better when he was here!

The Hon. D. K. DANS: Mr Pental simply has not read the legislation.

The Hon. P. G. Pental: Yes I have.

The Hon. D. K. DANS: Members opposite can have an easy five minutes or a hard four hours. That was one of the first lessons I learned when I joined the Navy during the war.

The legislation does not tackle any of the major problems experienced by industry. Colin Burnett, an economist with the Confederation of Western Australian Industry (Inc.), said on the "Howard Sattler File" on Monday, 20 December last, that a wages freeze would not create more employment or secure permanency for existing employees. If members listened carefully to what was said in general terms, they would know the Government is not saying that at all. There is no way that this legislation will halt the flood of unemployment or in fact create one new job.

The Hon. P. G. Pental: It just might though.

The Hon. D. K. DANS: It is highly unlikely.

The Hon. P. G. Pendal: We will see who is right.

The Hon. D. K. DANS: We will see who is right very soon. At best, the legislation will, therefore, create increased profits and as no prohibition is placed on the payment of increased dividends, it will not result in the growth of industry, but in increased profits to investors. The Government is taking income from one section of the community and transferring it to another section.

The Hon. Garry Kelly: It is taking income from a section of the community which can least afford it.

The Hon. D. K. DANS: The freeze will not extend to interest rates and hence the cost of borrowing will be unaffected. If the cost of borrowing is a major factor in profitability, this legislation on its own will not improve the situation. It will do nothing to help unemployment. Indeed, the cold, hard facts are that it will speed up unemployment.

If the Government takes money out of the hands of people who have no alternative but to spend their incomes, we will have a very bad situation on our hands. I ask: How will the reduction in the spending power of the great mass of the people stimulate demand? That is what we are suffering from.

According to figures I have obtained, we are losing in excess of 1 100 jobs a day in Australia; 600 of those 1 100 jobs are lost each week in Western Australia.

The bad feature of this, and one which has been touched on, is that many of the jobs which are lost will never return. At least 75 per cent of the jobs we are losing will never be recovered. They are gone for all time. It would be lovely to think that those jobs were not lost for ever, but in fact they are.

Technological change is, of course, intruding into this arena. Let me give members an example of how jobs are lost. I have given this example in various forms on a number of occasions, both here and in other places. Only a few years ago in excess of 2 500 waterside workers were employed on the Fremantle waterfront. They were paid every Thursday or Friday at the consolidated pay office and they would then meet their wives and go into the City of Fremantle and spend their money. Most members of the Chamber would have read recently that the gazetted port strength of the Port of Fremantle which includes the inner and outer harbours—when I referred to the figure of 2 500, I was talking only about the inner harbour—is now only 680 and tonnages have never been higher. If we add to that reductions in staff

in shipping offices and all the ancillary matters which go towards making up a port, it can be seen that the effect on the City of Fremantle is catastrophic. It is expected that eventually the labour force possibly will reduce to approximately 500.

These are facts; these are the things which intrude into the area of which I have just been speaking; these are the jobs which will never come back and which are gone forever. Those reductions in the labour force were not brought about by any dislocation or strike, but with a golden handshake. The reductions in the labour force were achieved without any great change in technology or automation; they were achieved by certain mechanical processes which are an aid to the human body, whereas automation generally does away with the human being. I refer to the advent of container ships, forklifts and straddle trucks. These members have a cameo of life to be found in the Port of Fremantle; it is one which can be found wherever we care to look.

During the period of this freeze of wages, on 1 January we will see a price hike for fuel, and in my opinion it will vary from 3c to 8c a litre. Nothing is happening to the price of fuel in the OPEC countries; it is simply an adjustment because of the poor standing of our dollar against the US dollar. It is no good saying X number of litres equals a gallon, because the facts are that if the increase is 5c a litre, every time we buy 50 litres we will have to pay another \$2.50. When we consider the transport industry, these increased costs must be inflicted on the public.

The Hon. Garry Kelly: Mr O'Connor said he would tell the Federal Government not to impose it.

The Hon. D. K. DANS: I hope he does, but if we look at the state of our Federal deficit and the amount of money the Federal Government gets from its fuel levy, we realise the Premier has about as much chance of succeeding as a snowball has of surviving in hell. This is because we have a massive Budget deficit in the Federal arena.

The Hon. P. G. Pendal: We have a balanced Budget here.

The Hon. Peter Dowding: It is not, really. If you hang around you will find out why not.

The Hon. D. K. DANS: Recently in answer to a question asked of Senator Carrick in the Senate, he admitted that when the Federal Government has to go to the money market to finance its deficit, the Government bond rate will rise. Everyone in this Chamber knows that interest rates will follow up the Government bond rate. I have been told there is a certain amount of slack in the housing interest rate. Perhaps there is and perhaps

there is not, but housing interest rates are not the only interest rates affecting the ordinary people in our community.

So on just two occasions, as sure as night follows day we will have two very significant increases during the period of this so-called wages pause. It is really a wages cut. A moment ago I mentioned that I could not understand why the State Government did not wait for the decision to be made tomorrow by the Federal commission.

I lump all the Governments together when I say there seems to be no continuity or uniformity of action in any of the methods that seem to be followed. It would have been a far better proposition just to wait and see what the Federal court determined. There seems to be a general feeling in the Australian community that the Commonwealth at least will have a brainwave or act sensibly and call a summit conference early in the New Year.

I have mentioned two increases in charges that cannot be denied, but we have many other charges. How in the name of goodness the Government is to help small businessmen by taking money out of the hands of consumers I will never know.

Recently I read a comment by an economist who said that the problem in Australia was that our wages had never been high enough and our profits had never been high enough. Perhaps there is truth in that because 70 per cent of the Australian working population receives less than the average weekly wage.

The Hon. Neil Oliver: Did he mention productivity at all?

The Hon. D. K. DANS: I will get on to productivity in a minute. The member has put his finger right on the problem—surplus, surplus, surplus, all over the world. I have often spoken in this Chamber, and over the last five years I have been trying to warn members that we should make joint efforts to control unemployment. On almost every occasion the Hon. Norman Moore has said I am an agent of gloom. I have always said that I look on unemployment as the most serious challenge to this country. I have said it is like a grain of snow running down a mountain; by the time it reaches the lip of the valley it is an avalanche.

How the Premier can justify this legislation is beyond me. I can only come to the conclusion that it is a cheap, shallow political trick to try to hoodwink the electorate that somehow the Government is trying to do something about the problem.

The Hon. P. G. Pendl: Agreed to at a Premiers' Conference.

The Hon. Robert Hetherington: It was not.

The Hon. D. K. DANS: I was not at the Premiers' Conference but I was in the Eastern States and I heard many conflicting views from different Premiers. I have since taken the opportunity to contact their Press officers and secretaries and I am of the opinion it was a mixed up situation.

Where are we today? That an economic crisis exists there can be no argument.

The Hon. Garry Kelly: Whose fault is it?

The Hon. D. K. DANS: There is no doubt that no country is excluded. There seems to be some general agreement on what represents the character of the crisis. All this nonsense is not the solution. The character of the crisis is simply a surplus capacity. If members want to travel around the world or to read the various economic journals they will learn it is surplus capacity which characterises the crisis. It is not that we lack productivity but that we have surplus capacity.

The Hon. D. J. Wordsworth interjected.

The Hon. D. K. DANS: I do not know about beef farmers; they think there is a surplus.

The Hon. D. J. Wordsworth: A lot of people are starving.

The Hon. D. K. DANS: I agree. Whilst we have a surplus capacity in the world, millions of people are starving. Just a few days ago an OPEC meeting was held—a meeting attended by people who produce oil. A national agreement on price was reached—I am only going on Press reports—but the meeting did not agree on quotas, because there is a surplus of that commodity.

If we consider the steel market in the world I am sure members would have read in the last couple of days that the United Steel Company in the US for the first time in its history has had a massive loss, in the vicinity of \$500 million.

Let us consider steel production in West Germany steel production is at less than 50 per cent capacity; in Britain it is the same story; in the United States it is at 40 per cent capacity; in Japan it is at something like 47 per cent; in Korea it is the same story; and in Australia, the industry is in one hell of a mess. A rumour is going around the traps, and only time will tell whether it is true—I tend to believe it—that no matter which party wins the next Federal election, on that day, or shortly after, Broken Hill Proprietary Limited will cease steel production in Australia.

The Hon. D. J. Wordsworth: Tell us about the productivity of the Australian steel worker compared with the Korean steel worker.

The Hon. D. K. DANS: The Hon. David Wordsworth has no idea of the productive ca-

capacity of the Australian steel worker versus the Korean steel worker. Despite our outdated steel plants we make the best and cheapest steel in the world. That simple fact should be obvious, even to Mr Wordsworth. However, we cannot compete in certain areas because we do not have the plant to do so.

The Hon. D. J. Wordsworth: What about the wages of steel workers?

The Hon. D. K. DANS: If the member suggests that the level of wages is the problem, I suggest we in this Parliament should accept the same wages as received by Korean members of Parliament.

The Hon. Peter Dowding: Most of them are in gaol, aren't they?

The Hon. D. K. DANS: To refer to wages is a lot of nonsense.

The Hon. P. G. Pental: Neville Wran doesn't agree with that.

The Hon. D. K. DANS: I don't care what Neville Wran agrees with.

The Hon. Peter Dowding: You line up with Fraser. You are the one who back-tracks in regard to the Federal Liberal Party all the time.

The Hon. D. K. DANS: Fierce competition exists between capitalist countries to get into the market place and to realise their values in that market place. I was interested to hear what Mr Anthony, the acting Prime Minister, had to say about the recent GATT meeting, the General Agreement on Tariffs and Trade. He said the participants could not agree on general tariffs and trade and that certain countries threatened a general trade war. That is normal. We have diminishing markets and a collapse of financial institutions, not only in this country, but in countries all across the western world. Of course, what happens is that we have competition to the death between the competing countries, which is what we are suffering from at present. What comes out of that situation? It is exploitation. For countries to stay in the market place they must exploit someone; they must introduce wage cuts and freezes. This Government shoves the load onto the workers, and blames them for its problems.

The Hon. D. J. Wordsworth: Do you think there should be an increase in wages?

The Hon. D. K. DANS: We have never learnt from the past. The unemployment situation in this country will steadily become worse; instead of 1 100 jobs a day being lost, by this time next year we will have 2 200 jobs a day lost.

The Hon. P. G. Pental: Will we hear your solution before you finish your speech? There has not been a word about what your mob would do.

The Hon. Peter Dowding: You listen to the speech.

Several members interjected.

The PRESIDENT: Order!

The Hon. D. K. DANS: Mr President, this Government has brought in legislation—

The Hon. P. G. Pental: What's your solution?

The Hon. D. K. DANS: I do not have to give a solution. This member is a dill. His Government has brought in legislation that presumes to alter the present situation, and my duty is to tell its members why the legislation will not work, and I am doing so.

Several members interjected.

The PRESIDENT: Order! I will not tolerate outbursts from members other than the member addressing the Chair. I recommend to the Hon. Des Dans that he ignore the interjections, not react to them, and moderate his voice while directing his comments to the Chair. In that way we will get through an awful lot quicker.

The Hon. D. K. DANS: I wanted to be a lot quicker, but I am not prepared to accept stupid comments like those of the Hon. Phil Pental, to the effect that I am here to provide answers to the Government when it brings along legislation such as this and asks us to swallow it.

The Hon. D. J. Wordsworth: It's for the electors' welfare.

The Peter Dowding: Oh, come on!

The Hon. D. K. DANS: What will happen out of this reduction in wages is a massive destruction of job opportunities. Wages are the price of labour, but this Government has not come to realise that. This Government has reached this situation by following a number of years ago, a line of bunkum and headline hunting. I will repeat for the benefit of members opposite that it was said by their counterparts that a Liberal-Country Party Government could create 100 000 jobs and beat inflation State by State. But then Liberal-Country Party Governments tumbled for the resource boom, and their members peddled that around the place. They did not have enough nous to see what was going on around the country—not one atom of common sense. Now they are bundled up with this situation. If members opposite want some good advice in order that they do not make the situation worse, they will accept the comment that they should back away from this foolhardy course on which they have embarked at present.

The Hon. D. J. Wordsworth: What about the Tonkin Government?

The Hon. D. K. DANC: I don't care what the Tonkin Government did. We are here now.

The Hon. Peter Dowding: It was in for only three years.

The Hon. D. K. DANC: I can think of nothing decent to say about this legislation; it is nothing but a political stunt, and will do nothing to enhance the prospects of small businesses in this State. I will take a wager with the Hon. Phil Pandal or anyone else on what will happen within 12 months, or even six months. I wager at that time Mr Pandal will not be able to say that as a result of this legislation one job has been created or even that the tide of unemployment has been halted.

The Hon. P. G. Pandal: I know that employers now, as a result of this—

The Hon. Peter Dowding: Don't talk rubbish. You'll have your turn in due course.

The PRESIDENT: Order!

The Hon. D. K. DANC: If this political gimmick is successful in returning this Government to power at the next election, members opposite will be able to sit around with their beers or cups of coffee and say, "The operation was successful and we are back in power, but the patient died." The patient is the ordinary men and women of Western Australia.

I cannot in conscience even attempt to consider amendments to this legislation; to do so would indicate some form of support for it. All it will do is deny the people of Western Australia any chance whatsoever to maintain their jobs and a normal and acceptable standard of living.

Tomorrow a decision will be made on catch-up wage increases for the period since last June. If this legislation is passed before that decision the Government will be successful in decreasing within 12 months the real level of Western Australian wages by 20 to 25 per cent. The ordinary Western Australian family will suffer during the next 12 months a 25 per cent reduction in their purchasing power as a result of wage increases not being granted and, therefore, money being taken out of circulation along with a substantial decrease in job opportunities. That substantial loss will put more pressure on the Federal Government in its provision of social security payments, which enable people merely to survive.

I reiterate that I cannot support this shallow political trick. This Government has the numbers to put through this legislation, but I hope the people of Western Australia see through this trick

by the time of the next election, otherwise they will realise too late that they have been had.

THE HON. PETER DOWDING (North) [8.39 p.m.]: I support the comments of the Leader of the Opposition in this House, and I endorse the proposition that this legislation represents a cheap political trick. It is illustrative of a Government in power since 1974, and a political party that has had Federal and State power since 1975. This Government has had some seven years of unlimited power in this Parliament as a result of its numbers in this House. The Liberal Party has had the completely open opportunity in those years to deal with the economic problems confronting Australia, but it has been unable to address those problems. We have this last-minute attempt by this Government to buy a few votes and to be seen to be doing something in an attempt to gain some credibility, but this legislation is a scurrilous use of its executive power.

This action is on a par with the sorts of activities in which Ministers opposite have been involved during the last few weeks. They have been ringing around major employers to say, "We acknowledge you will have to make a large number of workers redundant, but would you kindly hang off until the election because we are afraid if you sack them between now and February it will look bad for us."

Mr Wordsworth was dumped by his own party and it is surprising he is acting as an apologist for members of his party.

The PRESIDENT: Order!

The Hon. PETER DOWDING: The Minister for Health has been in touch with members of the board of King Edward Memorial Hospital in the last few days pleading with them not to close one of the wards and thereby sack 30 staff members until after the election, because he fears that if they and other employers do it, the Government will look bad at the election. I challenge the Minister for Labour and Industry to deny in this House that he also has been ringing employers and making approaches to them such as, "Would you kindly refrain from your redundancy actions until after the election?" That is the sort of breft policies this Government is trying to adopt in a bid to hold power over costs, while offering no decent solutions, no political solutions, no economic solutions, not even a solution for Mr Wordsworth's job overseas.

Despite what Mr O'Connor and the Minister in this House have submitted in their second reading speeches, this Bill is not designed to create employment. No serious economic commentator believes that to be the case. Not even the Acting

Prime Minister of Australia thinks wages freeze legislation will assist the unemployment situation. I will quote that gentleman. I emphasise it is a quote because of the grammar. He said—

Firms will be less worse off, but unemployment is not estimated to fall.

In other words, profits will improve and unemployment will not be reduced. What did the representative of the Confederation of Western Australian Industry say on the Howard Sattler File on Monday, 20 December? It said that a wage freeze would not create more employment, nor would it secure permanency for existing employees. When we have silly people like Mr Wordsworth, and people with no economic sense like the Minister for Labour and Industry, pretending to the people of Western Australia that this legislation will either secure jobs for people who are in them at the moment or create employment, I put it to the House that they are just simply telling untruths and it is economic nonsense and an attempt by them to simply hold their position until the February election when they hope the people of Western Australia will be so bemused by the economic gobbledygook that they put out regularly through their telex machines, that they might get straight back into power. The reality is that if we introduce wages freezes without substantial support provisions, we will simply create economic chaos.

The small business sector, a large portion of which does not employ large labour forces, is not threatened most by increases in wages because the labour content of those businesses which cause them problems; but it is the lack of buying power available in the community and the lack of money available to purchase the goods they produce which causes problems. Other factors are interest rates, Government charges, and a whole range of things; and wage costs are in many cases no element at all. We are faced with the reality that this legislation is designed to do nothing more than to act as a cosmetic, an attempt to show the Government is coming to grips with something when in reality it is not. If the economic indicators have been so clear, if it is the case that Australia is spiralling downwards because the wages push has been so obvious for so many years, why is it that we did not debate this matter before November? Why is it that in the hours we were hanging around this place waiting for legislation from the other place we did not debate these important economic matters? The answer is that the Government did not think of it then.

The Hon. D. J. Wordsworth interjected.

The Hon. PETER DOWDING: Mr Wordsworth's words have not even held force in his own party so they are not likely to do so in public. The reality is that the Liberal Party has run out of ideas. It is governed by people of a shallow PR content like Mr Bill Mitchell who has been wheeled up as one of the candidates, and who apparently is more interested in tax avoidance than the economic wellbeing of this State. Such people are more interested in shallow PR responses than in coming to grips with the economic problems besetting this State.

It is necessary to look at the factor of average weekly earnings which are rising at a faster rate than inflation, which is evidenced by a wages push and an unacceptable increasing level of wages. What the Government has chosen to ignore and to leave out of the many thousands of feet of Press telexes that it bangs out day by day is that average weekly earnings are affected by the level of unemployment because jobs at the lower end of the economic scale are lost first. If a sector of the work force comprising basic labourers, people at the lowest end of the work force, are removed, the average weekly earning figure rises because it includes members of Parliament, lawyers, doctors, and others at the top of the economic scale. Even the Prime Minister's salary is an indicator which affects the level of average weekly earnings. It is so obvious that if we have a total of that sort and a large section of the lowest paid employees is removed, the figure for average weekly earnings will rise and the wage benefit to the people of Australia will be unchanged; in fact, it will be diminished.

The *Hansard* report of the Senate for 17 November 1982 contains an interesting table on living standards in Australia. Full-time male employees' weekly earnings between August 1975 and August 1981 are shown and the median figure, the average weekly earnings figure, in August 1975 was \$139.90 and in August 1981, \$252.40, a nominal increase of 80.5 per cent over that period of six years, when in fact the real increase was minus 1.2 per cent. In other words, at the median wage level—that is, the wage level of the ordinary Australian—the increase in real terms has been a minus figure. The average weekly earnings of workers at the lower level have in fact declined.

It is interesting that in 1931 when the predecessors of the Liberal Party—I have forgotten under what name they sold themselves in those days, but it was probably as inappropriate then as "Liberal" is as a description of them now—introduced a wage reduction package which did not simply create an across-the-board freeze. In other words, they recognised that in the case of

a member of Parliament on \$30 000-odd a year the increase was not as important in bread and butter terms as it was to the employee on \$10 000 or \$12 000 a year. They recognised that fact by staggering the levels at which the legislation would affect wage reductions. For an annual salary not exceeding \$250 per annum the rate of reduction was 18 per cent. Between \$250 and \$1 000 it was 20 per cent, and overall it was 22.1 per cent. I make the point that even in 1931 the conservative Government recognised the unfairness of an across-the-board reduction or freeze.

The Government realises it will penalise the people at the lowest end of the wage scale—the people who have the money which will fundamentally be returned into the economy at the end of the week in which they are paid. Every cent of the money which is received by the lower wage earners is turned back into the economy—it is not saved or put into finance companies; it is not sent to the Channel Islands; it does not go through the Liberal Party finance committee's tax avoidance scheme, but is simply returned to the economy. That is the reason it is of fundamental importance to small business that the wages freeze should not hit that level of the community.

While I am talking about the 1931 emergency legislation, which was as bereft of ideas as is this legislation, I point out that at least the conservatives had the honesty, decency, and compassion for the people in this State to introduce two other provisions at the same time. The first was the reduction of rents legislation which reduced rents by a factor of 25 per cent across the board and provided a reduction in rent guarantee to the very lowest wage earner so that he was not priced out of his home. They introduced also the Hire Purchase Agreement Act to provide for a moratorium for people who had hire-purchase agreements during the time of the wage reduction.

This Government provides a moratorium which will protect Mr Wordsworth's brethren in the rural community but does not provide a greater moratorium protection for the low-paid people who have committed themselves on the basis of a promised increase in wages.

The difference between the 1931 conservative Government and the 1982 Government is that this Government does not intend to do anything else but help itself to scrape back at the next election. Apologists for the Government, such as Mr Pental, will no doubt come up with all sorts of facts and figures which will suggest it is economically wise. I say again that if it is economically wise and practical for such a long time why is it that Parliament has been recalled virtually on

Christmas Eve to debate this legislation? Why did not the Government do this two months ago? The answer is because this Government is full of gimmicks. It is not concerned with substance or reality, it is simply concerned about scraping into power at the next election.

The Hon. G. C. MacKinnon: You don't want it?

The Hon. PETER DOWDING: When we see the trauma the honourable member's party is causing this State we think we could do the job a lot better. We would not resort to cheap political stunts at the expense of the community. The Hon. Graham MacKinnon pranced around in eighteenth century costume for a year; he could hardly say that was not a gimmick.

The real measure of wages in this State is not the average weekly earnings.

The Hon. D. J. Wordsworth interjected.

The Hon. PETER DOWDING: Mr Wordsworth does not need a costume to look eighteenth century. It is not the average weekly earnings which is the real indicator of the economic wealth of the labourers and the lowest paid people in this State; the real indicator is the average wage provided in awards, and that is some \$100 less than the average weekly earnings.

This Government is freezing the wages of people who cannot afford to give up the increases that have been banking up during the course of this year. This legislation goes back on the industrial agreements and wages of the commission in this State which promised people that if they restrained their wage demands earlier in the present year they would find a wage increase early in the New Year. Those people have been sabotaged and sold down the river because they have exercised that restraint to assist in ensuring that all those promises would come true. They moderated their wage demands. They have been sold down the river and have been denied the wage increases they have been banking on.

The Government does not complement this legislation by undertaking to freeze the charges levied by the Government Employees' Housing Authority. It was about to slap an enormous increase in rents—particularly in my electorate—to the sum of \$30 a week. The Government employees had negotiated pay awards on the basis of low rents but the Government again sabotaged their industrial position by taking the issue of rents out of the Industrial Commission. These people had been promised a massive rent rise on 1 January, but what has this Government done? Has it promised not to increase those rents? Perhaps the Minister would know?

The Hon. G. E. Masters: Carry on, you are making the speech.

The Hon. PETER DOWDING: The Minister is obviously as bereft of information as he usually is. The Government has promised that it will not increase its rents until the end of the financial year. The Government is not prepared to look at the same stringencies that the people of Western Australia are being asked to accept.

In respect of economic stringencies I would like to make a small point. I asked that well known avoider of questions, that filibusterer, the Hon. Cyril Rushton, the cost of opening the recently completed Wickham bypass. Members might think this was a massive construction job of many millions of dollars or that it was in a marginal electorate.

The Government planners decided that the high school should be placed on one side of the highway while the town was on the other side. Someone told them that it was not a good idea but, having decided to reroute the Wickham bypass, the Minister in reply to the financial stringencies the Hon. Gordon Masters asked us to accept, brought the Main Roads Commissioner, as well as the surveyor and the Minister, from Perth to Karratha and to Wickham. One might have regarded them as essential people to this function. However, a photographer from Perth was imported also.

The Hon. Tom Stephens: Did he take Mr Moore?

The Hon. PETER DOWDING: The Hon. Norman Moore is an expert on the Wickham bypass, although he is not sure where it went. Here we had the Government exercising the stringency of importing a photographer from Perth to Wickham to ensure that the Minister's profile was caught and that is what the Government regards as an economic stringency—\$1 200 for air fares and another \$3 000 to \$4 000 as well for hospitality.

The point is the Government has no intention of accepting financial stringencies. It chooses only to win elections. Of course Mr Rushton was quiet about the matter when I asked his office, by letter, for the information. He wrote me a letter saying it was a beaut function and he was sorry I was not there. When I told him I wanted the information in the House this afternoon, he chose not to supply it. That is the sort of cowardly side-stepping of issues that this Government's front-bench Ministers are so good at.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order! By referring to the Ministers in this Parliament in that way the member is

reflecting on this House and I ask him to moderate his language.

The Hon. PETER DOWDING: The Minister chose not to give that information to Parliament. The reality is the people of Western Australia are suffering and they suffer constantly. One has only to drive through some of the suburbs where people have mortgaged themselves and where high rates of unemployment have occurred. I do not want to identify any particular areas but members will know the tragedy of homes being lost through mortgage sales.

When considering a Bill for a wages freeze, this Government does not even choose to introduce a moratorium on mortgagee foreclosures; it protects only one element of the public in this country.

Is right of challenge provided in respect of company shareholders increasing their dividends? Is there any restraint in relation to the paying of dividends? Of course not, because the Government's intention is not to put restraints on that level of society. How many avenues has the Government left open in this Bill by avoiding wage constraint and by including a provision that a person can be promoted in his employment without that constituting a wage increase? An employer could promote his secretary to first assistant in one year, to first-class assistant in the next year, and a couple of months later to class "A" assistant.

No mechanism is included in the Bill to restrain the internal wages of those people who have control over their own destiny. The large proportion of people in Western Australia have no control over their wages. They do not have such power or resources and because of the Minister for Labour and Industry's exertions the terms gained by unions are being destroyed.

The Government is trying to hoodwink Western Australians; but, in fact, it will penalise the vast majority of hard working men and women of this State. In real terms, which is more honourable: money earned from toil or money earned from investments? If a firm has a spare dollar is interest on investment more honourable than the recompense paid to an employee for his employment?

The hammer falls on the person—

The Hon. N. F. Moore interjected.

The Hon. PETER DOWDING: The point is that it is all right for members in this Chamber—the silvertails of society—

Several members interjected.

The Hon. PETER DOWDING: —to be legislating about a wages freeze for people whose

income is so basic that every week is a battle. Every single week they are concerned about whether SEC or water board charges can be met. The Government demands that these instrumentalities pay their own way and in reality they are imposing taxes on the people of Western Australia.

The other aspect in which I believe this legislation will be harmful to Western Australians and lower income earners in this State concerns the fact that we have a call for wage restraint on the one hand and on the other hand no promise is given that Government charges or Government rents will not increase. Absolutely no guarantee is made of a catch-up; in fact it is prohibited. Where the commission wants to provide catch-ups when faced with all the evidence, it is not allowed to. Therefore, the poor people in this State will suffer.

It is interesting to note that this legislation is directed at sabotaging the long-standing principal that wage fixation is not an executive Government decision, but is determined by a series of commissions and tribunals which collect evidence and make determinations.

The Minister for Labour and Industry said in this House not so long ago that it was necessary for the Industrial Commission to pay attention to what the Government said was the economic situation of the State. The Government has not been prepared to leave the matter to the employer or to say its perspective of economic affairs is correct. It has been prepared to avoid the matter entirely and override all the wage fixing processes. What a vote of confidence that is in the independent tribunals mentioned in the Bill.

The Hon. G. C. MacKinnon interjected.

The Hon. PETER DOWDING: The taxpayers may pay hundreds of thousands of dollars for a PR exercise.

The Hon. G. C. MacKinnon: You make \$100 000 out of your law practice and you are still a member of Parliament.

The Hon. PETER DOWDING: I invite the Hon. G. C. MacKinnon to look at my profit and loss sheet whenever he chooses to do so.

The reality is that it is a vote of no confidence in the Industrial Commission, the Salaries and Allowances Tribunal, the Public Service Arbitrator, the WA School Teachers' Tribunal and others because the Government has not been prepared to seek to justify the rubbishy economic stance that it took in this House in the Minister's second reading speech or to allow the tribunals to decide issues on the evidence presented. As the Deputy Leader of the Opposition said, when the

chips are down, the Government is not prepared to accept the decisions taken; it hides them under the hat of executive power. This is not, in fact, a piece of legislation put together by the Parliament of Western Australia; it is a piece of legislation put together by the Executive and passed with a rubber stamp. Members opposite are no more likely to buck the Government than they are prepared to make political sense in this House.

The Government has proved itself to be a hopeless economic manager and it is no longer possible for people like Mr Pandal to bleat endlessly that the Whitlam Government was responsible for the economic woes of the country. In the Government's election campaign of 1974 we heard members opposite bleating that the Tonkin Government was responsible for the Federal Government's woes. This Government has been distancing itself from the Fraser Government and has formed a clique that tries to undermine the Federal party and it has copped the flak since 1975. The State Government has been pouring Australia down the gurgler and is as responsible for that as is the Federal Government.

The Hon. D. K. Dans: The same party.

The Hon. PETER DOWDING: Yes, each has the same party decision-making processes and thoughtless feelings for the people of this State who make up the bulk of the population.

The interesting point is, and I think it was Hegel who said in relation to Governments and history, "What experience and history teach is that Governments have never learnt anything from history." However, in this instance it is not the Government but Warner and Co. who have dreamed up this legislation, as Mr Masters could not. The people concerned should look at what took place in the 1930s to ascertain whether this legislation will work.

At that time in Western Australia unemployment rose to 27 per cent after similar legislation was introduced. I made the point earlier that that legislation makes this legislation look draconian because at least in the 1930s action was taken to differentiate between low bracket wage earners and others. Therefore, in Western Australia we have a classic example of the introduction of wage constraints resulting in unemployment increasing from nine per cent to 27 per cent.

From the beginning of 1932, unemployment continued at the high rate. It was not until after the Depression had ended—nothing to do with the legislation—that the unemployment position changed. History shows clearly that when unions presented wage catch-up submissions to the then wage-fixing court, Australia's eminent econom-

ists, Professor Copeland and Professor Giblin, presented submissions endorsing the unions' claim. That claim was that the cause and continuation of the depression was the inability of members of society to spend their money on goods and services. When that is changed and money is injected into the community it enables the economy to improve. By July 1937, five years after the wage reduction legislation was introduced, unemployment had declined to 9.3 per cent. One has only to look to see that in the third quarter of 1980 the Australian unemployment graph showed a fall. It was the result of two factors—the increase in the Federal Government's own expenditure, and the first increase for four years in the level of real wages.

These two elements—an injection of funds from the Government and an increase in real wages—meant the consumer-business production and output grew and the economy started to come back into shape. It is quite clear that this Government has not learned the lessons of history. It is not interested in the past or present; it is interested only in the short-term future of winning elections.

My leader has made reference to the position in New Zealand; because surely with a Premier as pig-headed as any in Australia and a conservative Government introducing a wages freeze, one would have thought there were lessons to be learned in that country. Yet in the *Daily News* of Wednesday, 22 December it was stated a spectacular increase had occurred in the cost of living in New Zealand. The inflation level has not diminished, nor has the cost of living. No diminution had taken place in the rate of unemployment. In the past eight months more than 2 500 people had been laid off in New Zealand. That occurred at a point at which the wages freeze was presumably biting most strongly.

According to the ethereal nonsense in the Minister's second reading speech we ought to see a massive increase in employment opportunities which neither Mr Anthony nor any economists think will occur. In practical terms New Zealand is an example of how it will not work.

The Hon. D. J. Wordsworth: It would have been worse in New Zealand—an exporting country—had not the legislation been introduced.

The Hon. PETER DOWDING: That is like saying if we cut off the member's left hand he would then persuade us it would be worse if we cut off his right hand. That is a pretty sensible approach, Mr Wordsworth!

The worst feature of this legislation is its selective effect. It selectively singles out people with

the least economic resources to pay the biggest penalty. It is not only selective in those terms but also inasmuch as ministerial certificates can be issued to authorise pay rises. Who has access to Ministers—the bus driver, or the PWD employee; or is it only the employers?

The Hon. G. C. MacKinnon: The former.

The Hon. PETER DOWDING: Come on! Things obviously have changed since Mr MacKinnon has been on the back bench, which is quite a while now. That is a fair time for him to be out of circulation; he has obviously lost his touch.

What other groups in society are at liberty to increase fees without any form of restraint? Doctors, plumbers and any people who provide services or goods at a price can do so as long as they do not get together and fix their prices, which would be a breach of the Trade Practices Act, or get together and fix maximum and minimum rates, which would be a breach of this legislation. Anyone else can charge as much as he likes. That is the point at which this Bill will bite most deeply.

The Hon. G. C. MacKinnon interjected.

The Hon. PETER DOWDING: I made the point which Mr MacKinnon would probably grasp, that this is entirely selective.

The Hon. G. C. MacKinnon: As a lawyer you could go to gaol.

The Hon. D. K. Dans: The Supreme Court committee sets lawyers' fees.

The Hon. PETER DOWDING: Lawyers cannot increase their fees; they are bound by statutory mechanism. Mr MacKinnon should know that; he must have been involved in a few suits from time to time.

The other area in which this measure is selective relates to mechanisms to enforce the legislation. How do we prevent a director of a private company from paying himself an increased director's fee? How does one know he has done it if one does not have access to the information? Yet in this Bill no provision exists for inquiry into that area. It can be done by this toothless agent, the prices commissioner—this officer of the Treasury who is to be allowed to go around demanding everything under the sun, but only in relation to clause 14 and not in relation to the wage-fixing requirements. Where are the teeth to enforce this? How can we ensure that the director does not increase his fee and that the private employer who is in control of a company for which he works does not bump up his own wage? Where are the teeth? Apparently, one does not need them. One

meets at the Weld Club or through the old boys' network and has a chat about whether they have put up their fees a little. Is the already overworked Police Force going to do it?

The answer is "No." No mechanism exists; some toothless penalties are provided which will not be enforced because no-one will make an inquiry unless it concerns a poor old worker. That is where the pressure from this Bill will lie.

THE HON. P. H. WELLS (North Metropolitan) [9.18 p.m.]: It is rather interesting that the last statement made by the previous speaker was about the worker. I doubt if he is really in touch with the worker, sitting behind his two-jobs-two-incomes, particularly in relation to some of the things he said.

I do not claim to be a top economist. Since this legislation became available I have discussed these matters with the economists of various banks and groups.

The Hon. D. K. Dans: I bet you got a lot of different answers.

The Hon. P. H. WELLS: That is exactly what I got. It is interesting to come to this House and find all the authorities speaking with such certainty in terms of doom and gloom, which terms the economists did not use. One piece of advice was given in Federal Parliament to the effect that to make such predictions one needed to be in 1984, looking back.

The Hon. D. K. Dans: You reckon the future is rosy with 1 100 jobs going down the gurgler each day?

The Hon. P. H. WELLS: I will deal with that.

One of the questions I asked myself is whether the community is prepared now to help those people who are being hurt. From my limited experience with the people with whom I come in contact and the figures I see, I get the feeling that people in the community are willing to do something for those in need. They are looking to the Government for some sort of leadership. I have not heard any better proposition than that contained in this Bill.

The Hon. Robert Hetherington: It is not a very good proposition.

The Hon. P. H. WELLS: I am reminded that before this Bill was thought of, one of the small businesses in my electorate was experiencing real difficulty and faced the problem of having to sack 16 of its employees. The company management discussed the matter with the employees who were told the only alternative to retrenchments was a 32-hour week for 32 hours' pay. After some consideration, the workers voted for a reduction in

wages. I understand that the evening before the new hours were to commence, the managing director of the company received a letter at home from all the employees of the firm stating that they would be happy to work 40 hours for 32 hours' pay until the company got over the current difficult period. That was their answer to the situation they faced at that time. I was sad to hear that some conflict occurred when the union involved heard about the agreement, and I understand that matter is being sorted out.

That example is symptomatic of the attitude of people in our community. People are prepared to share what they have with others. It is amazing that members opposite say, "No, we do not want to see those people hardest hit in the community being helped by a wages pause." Remember, a 12-month wages pause not only will preserve existing jobs, but also will create new jobs.

The Hon. Garry Kelly: What about the lack of demand?

The Hon. P. H. WELLS: I will take the Hon. Garry Kelly up on that matter in a moment. How long I take to answer his interjection depends upon whether he wants a short explanation or a long one.

The Hon. H. W. Gayfer: A short one, please.

The Hon. P. H. WELLS: From the limited amount of research I have been able to carry out on this subject, I note that Australia is not alone in trying to control wages. In many countries, Governments of all political persuasions—both conservative and socialist—appear to be trying to come to grips with the problem of ever-increasing wages. Over the last 12 months, Belgium, for the first time in 60 years, has been altering the wages structure in an endeavour to reduce its massive level of unemployment. For the first time since World War II, the French Government is to freeze incomes. The Netherlands has imposed wages restraints; in the second half of 1982, workers in that country are expected to suffer a two per cent fall in real incomes.

The Hon. Garry Kelly: What about prices?

The Hon. P. H. WELLS: I do not claim to be an expert on this matter. Members may do their own research, and make different findings. They may agree with the contention of the Leader of the Opposition that in some countries, prices freezes have not worked. Spain imposed wages limits for one year. *The Australian Financial Review* states that Japan is experiencing difficulties with its level of wages, and consideration is being given to the imposition of a freeze on the wages of Government workers. All my research indicates that quite a number of Governments overseas see

the need to control the real level of wages. So, it seems only reasonable that our Government also should be seeking to move in the same direction.

The reality, of course, is that increased wages cost jobs. However, some members do not seem to understand this fact. I am reminded of a quote I made from Clyde Cameron's book *Unions in Crisis*, when he said that very few of his colleagues understood that wage increases cost jobs.

An article written by Kenneth Davidson headed, "Crisis yet to come in nation's illness" states—

... Mr Cameron now understands that one person's wage increase could mean another person's job.

The Hon. P. G. Pendal: That is Mr Clyde Cameron, the Labor member?

The Hon. P. H. WELLS: Yes, a former Minister of the Whitlam Government. He was one of three Cabinet Ministers of a total of 27 Ministers who admitted the rest of his colleagues did not understand the reality that pay increases meant the loss of jobs.

On that basis, I support the legislation. However, I do not claim it is an answer to all our ills, or will provide a great number of new jobs. It will provide limited jobs, because only a limited amount of money is available. Look at what has happened already. Of the \$300 million the Federal Government will save this year, \$100 million has been made available immediately for welfare housing. I have not seen anybody jumping up and saying, "Thank you for a 50 per cent increase in welfare housing funds." This money will create jobs in an area which has suffered the greatest downturn and will provide houses for people who are hurting; it will help house people in my electorate. It will also provide work for small businesses which, in turn, will employ people to carry out that work. Materials will need to be purchased to construct these houses. So, we see a multiplier effect throughout the community. I see the legislation working in that way.

The Hon. J. M. Brown: You were worse on radio yesterday than you are today.

The Hon. P. H. WELLS: I am glad Mr Brown took the time to listen to that radio programme.

Is the community ready to accept this legislation? I refer members to an article which appeared in the industrial relations section of *The Bulletin* of 23 November 1982 where, on page 25 and under the heading "Recession has the unions in a bind", the following appears—

BORAL LTD last week became another company to achieve the kind of things of

which employers had only dreamed over the past 30 years. It renegotiated over-award payments with a section of its workforce to achieve a \$25-a-week reduction in pay. This rolling back of a pay standard has, so far, been accepted compliantly by workers worried about their jobs in a worsening recession.

That union was happy to accept a renegotiation. For some reason or another, the union has been able to work out what the Opposition has not; namely, that if a renegotiated wage agreement is not accepted, jobs will be lost. So, I believe this legislation will attack the area where jobs may be lost.

This evening, reference was made to the fact that this legislation will not prevent dividends from increasing. Obviously, some members have not been reading the financial pages, and have no idea of the returns companies are earning, due to the current economic climate. The figures I wish to quote relate to the mining industry and are extracted from the 1981-82 survey of the industry by Coopers and Lybrand. During that period, employment in the industry fell from 82 330 to 81 000. After tax, the return on shareholders' funds employed fell from 10.9 per cent to 2.5 per cent. How is the industry to pay for any increase in wages? The Government take of pre-tax profits rose from 56 per cent to 72 per cent while, during the same period, labour costs per employee increased by 14.7 per cent. That happens to be an industry which provides 35 per cent of Australia's total export revenue. If members opposite do not accept that the mining industry is hurting because of a downturn in world metal prices, they should go back to their work books.

The reality is that wage increases are taking jobs. Let us consider the situation of a fitter mechanic in group 2 of the metal trades award. At 30 November 1980 such a tradesman received \$206.70 for a 40-hour week—a total of \$10 748.40 for the year. Twelve months later that had been increased by 10.4 per cent; the weekly wage was \$228.30, and the annual wage was \$11 871. The next year there was an effective increase of 14.3 per cent because the weekly hours had been reduced to 38. The annual total wage was then \$13 572.

We must remember that holiday loadings, leave payments, and workers' compensation payments, all go up with increased wages. The yearly cost of workers' compensation premiums goes up as wages go up. The yearly cost per man hour rose by about 35.5 per cent.

I have just given one example and I have shown that such wage rises certainly cost jobs. Clyde Cameron, the ex-Labor Party Minister, understood that fact. The unionists at Boral Ltd. understand it. Many people in the community understand that and they are looking to the Government for leadership. So in that area alone I have to support the legislation.

I turn now to local government. I do not know how many other members have had the courtesy to discuss the likely effects of the wage freeze with the local authorities in their electorates. We know that the State Government will save approximately \$80 million to \$90 million, and that local authorities will receive some part of that. At local government level, schemes involving the whole community have been put forward. The two shire councils I represent—

The Hon. J. M. Brown: How many shires do you represent?

The Hon. P. H. WELLS: There are three which cover parts of the area, but two major shires are in my electorate. Although these councils have not been able to give me exact figures, they believe that an effective 12-month wages freeze will mean a saving to them of about \$400 000 to \$500 000 each.

The actual figure will depend on the outcome of the freeze of wages under Federal awards. Most local government employees are under Federal awards. One council in my electorate employs officers under five different awards—three Federal and two State. Let us consider the savings of a wages freeze, even taking into account the fact that local government rates are struck in June. If local government employees get the increase already agreed to, that would be a two per cent increase on 1 January, and another two per cent increase in the next quarter; that is, in April. If that increase is not held down through the wages freeze, it would probably take effect from 1 July. So if we assume that the councils would have an effective saving of \$200 000 to \$300 000, we realise it would reduce the pressure to increase rates. Surely it would help the community if rates were not increased.

The Hon. J. M. Brown: So your shires will reduce their rates?

The Hon. P. G. Pendal: He is making his speech.

The Hon. P. H. WELLS: Perhaps the honourable member will tell me what the councils in his area intend to do.

The Hon. J. M. Brown: I will.

The Hon. P. H. WELLS: Of course, it is up to the councils to decide what they will do, but it will remove some of the pressure to increase rates. The people to whom I spoke about this matter are very happy about it. One shire indicated that already it has done its homework. Since September it has been attempting to identify jobs that will be available to be filled should the money be forthcoming. The City of Stirling has identified within its shire boundaries worthwhile projects which will provide jobs involving some pride—not just street sweeping. It has done the spade work, and within two or three weeks of the Government's making money available, it would be able to employ up to 200 people on a range of local projects.

The shire councils in my area are geared up to take immediate advantage of the wages freeze to provide jobs for the people. We were told that approximately 10 000 jobs would be available across Australia. I suggest that this State's share of the \$80 million will not only provide jobs, but also will provide materials and a whole range of items that will help small business. To that degree I believe the proposition before us tonight should be supported.

We heard tonight a member who belongs to a profession which continually advises people how to get around the law. He told us that people will be able to get around this legislation. I admit that most legislation requires honesty and a certain amount of goodwill in the community—and I believe that that goodwill exists. Many people are willing to forgo an increase in their wages to help those who are not receiving an income at all. The unemployed deserve to have a chance, and, to provide that chance, we should support this legislation. I want to do something for my constituents who are hurting because of unemployment.

The Government will be able to assist many people by way of welfare housing. Many homeless people will be assisted.

A representative of one of the councils in my area referred to propositions such as cycleways, restoration of beach fronts, tree removal, and other projects designed to improve the permanent aesthetic value of the area, such as improving reserves, that could provide jobs for unemployed people.

This council states that, provided it is given a certain degree of flexibility in choosing employees, it will be able to provide employment across the whole spectrum of areas in which it is involved, areas such as survey and engineering.

The Hon. Lyla Elliott: How come your party did not support the RED scheme. This is another version of the RED scheme.

The Hon. P. H. WELLS: It is interesting to hear a member opposite refer to the RED scheme—this is the very same council which said it would not accept the RED scheme approach again.

The Hon. J. M. Brown: Does that make it right?

The Hon. P. H. WELLS: I was answering the Hon. Lyla Elliott when the honourable member so rudely interrupted.

The Hon. J. M. Brown: Does that make it right?

The Hon. P. H. WELLS: The council indicated that the RED scheme ended up putting pressures on the local authorities, and this pressure was borne by the ratepayers. This council indicated that schemes must be worthwhile to be considered. The jobs involved must be worthwhile and the council wanted the ability to select its own employees. The councils want people who are willing to work, and under the RED scheme, they did not have this choice.

Another shire council has indicated that it will have available positions ranging from clerical work in the office to maintenance work involving such things as the relaying of old deformed foot-path surfaces, cleaning up areas, rubbish bin maintenance programmes, turf refurbishing, the cleaning of vehicles and plant, and construction work. This range of jobs will benefit the community.

I believe that tonight we are talking about jobs for the very needy people in this community. Some arguments have been put forward tonight that this Bill will take away demand. I am not a great mathematician, but I have worked out some figures. I assume that the people who would have received increases in their salaries are earning already in excess of \$4 000 so that all increases would be taxed. The minimum tax over a salary of \$4 000 is 32c in the dollar.

The State Government has indicated that \$80 million will be available immediately, and this State normally would have lost roughly a third of that to the Federal Government in terms of taxation. I suggest that will affect the lower income people—very often the people who have been on unemployment benefits. Much of that money will not be taxable to the same degree, and, because of that, the additional money coming from the Federal Government will go into Western Australia's economy. It will go in at the level of the people on the lowest incomes and the people who do not have jobs.

A humane Government—a Government interested in people—should ensure that the people have some money to spend on their families. Therefore, I believe that the proposition deserves the support necessary for it to succeed.

THE HON. GARRY KELLY (South Metropolitan) [9.41 p.m.]: In October we debated the Industrial Arbitration Amendment Bill (No. 2), which has now been proclaimed. This Bill follows in that genre. The Bill discussed in October caused us to sit for three nights and days, and we staggered out on Thursday morning with matchsticks between our eyelids to keep our eyes open. That Bill tore up some of the basic precepts of the industrial arbitration system that has grown up in this State.

The DEPUTY PRESIDENT (The Hon. V. J. Ferry): Order! The Bill before the House has nothing to do with previous legislation.

The Hon. GARRY KELLY: With your indulgence, Sir, I will show you how it is related.

The DEPUTY PRESIDENT: I would appreciate that.

The Hon. GARRY KELLY: This Bill removes from the Industrial Commission the power to make a determination on award wages and wage increases. I would have thought that one of the most important functions of the Industrial Commission, apart from settling industrial disputes, would be the making of award wages.

It is a dangerous precedent for a Government to set when it unilaterally removes those powers, not only from the Industrial Commission, but also from the other tribunals mentioned in the Bill. They are supposed to be independent bodies which, on the basis of the evidence put before them, make decisions which are supposed to be just and fair to all parties. If the Government removes that power from the commissions, it removes their independence.

Another matter in the State which is rather disturbing is the application lodged by the Confederation of Western Australian Industry to have the 17.5 per cent annual leave loading provision removed. It seems to me that we are leading the rest of Australia in the province of attacking conditions of employment and remuneration of employees.

I turn now to the headline in *The Sunday Times* last week. Whoever wrote it was advocating that, in order to save jobs, we should move away from award wages altogether. I find it absolutely incredible to suggest that the employment opportunities of people will be improved by the removal of the award provisions which have grown up over a time in this country, and their re-

placement with a completely different system. On top of that, we have the Minister admitting that the documents he collected about collective bargaining on one of his overseas trips—

The Hon. G. E. Masters: On a whole lot of systems.

The Hon. GARRY KELLY: Collective bargaining is the one in which he is interested.

The Hon. G. E. Masters: I am interested in the whole lot.

The Hon. GARRY KELLY: Some whispers are going around that the Government will introduce compulsory collective bargaining.

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

The Hon. GARRY KELLY: Compulsory collective bargaining would be okay for unions such as those concerned with transport workers, builders labourers, and metal workers. I am sure they could survive quite well under compulsory collective bargaining; but I wonder how the smaller unions would survive—the cleaners' union, the clerks' union—although it is a large union, it does not have a history of being militant—the Teachers' Union, and the Public Service groups. How would they survive under compulsory collective bargaining? They are not used to being militant and negotiating hard-headed deals with the employers.

The Hon. P. G. Pental: Which clause of the Bill deals with compulsory collective bargaining?

The Hon. GARRY KELLY: This Bill is part of the trend which seeks to erode the conditions of pay and service of employees. Wage fixing in this country has been allowed to deteriorate because the Federal Government in particular, and the State Government to a lesser extent, have tried to abrogate the concept of centralised wage fixing. We had a system of wage indexation which was allowed to wither on the vine. As I understand wage indexation, if the cost of living rose by 10 per cent, wages would rise by 10 per cent. However, we started to have partial indexation and discounts for Government charges. The petrol parity levy was not included; and all of a sudden we found that the Consumer Price Index was still going up, but the actual percentages awarded under wage indexation were less than the increase in the cost of living. Eventually catch-up wage claims were allowed to overcome that problem; but the Federal Government pulled the plug on indexation and abandoned it altogether.

Since that time, we have had the so-called community round of wage increases, which is just coming to an end. The bank employees were the last ones to benefit from that. If the Government

had been faithful to the concepts of wage indexation, we would not be wasting our time here today.

Another question which should be raised is why Western Australia is the only State legislating in this field. None of the other conservative States, and certainly none of the Labor States, has done so. Queensland, which usually vies with this State for being the most conservative, does not intend to legislate in this field. Why are we the only State? The reason is that the Premier (Mr O'Connor) got the wrong end of the stick at the Premiers' Conference. He confused one of the position papers with the decision. No other State is legislating to impose a so-called wages freeze.

The Hon. G. E. Masters: What about Tasmania?

The Hon. GARRY KELLY: Tasmania has had one in force for about six months. It has had a wages freeze.

The Hon. G. E. Masters: It has legislated.

The Hon. GARRY KELLY: Tasmania has had a wages freeze.

The Hon. G. E. Masters: I say Tasmania is legislating.

The Hon. GARRY KELLY: I do not know if it has legislated yet.

The Hon. G. E. Masters: You just made a statement that it had.

The Hon. GARRY KELLY: If it has, it is something that no other State has tried.

The Hon. G. E. Masters: You are making a general statement about legislation.

The Hon. GARRY KELLY: Tasmania has had a wages freeze for six months. If it did legislate for a 12-month wages freeze, it would be the only State in the Commonwealth to have imposed one for 18 months. That is not something the Minister can use to refute my argument.

This thing has been called a wages freeze or a wages pause. It is really a wages cut, if we are not to do something about prices. We will monitor prices and tap people on the wrists if prices go up, or if they do not register an increase in price. However, unless we have some method of controlling excessive prices, if the inflation rate continues at about the same level, we will have something like a 12 per cent wages cut by the end of the year.

It seems that this is part of a trend to make Western Australia a low-wage State. The Government is asking ordinary wages and salary earners to put up with this. The Hon. Peter Dowding mentioned that the people who lose their jobs are

at the bottom end of the economic spectrum, so the statistic known as "average weekly earnings" is distorted because more people at the bottom of the tree lose jobs, and so we have relatively more at the top, making the average earnings relatively higher.

A number of people earn well below the so-called "average weekly wage" and it is those people who will suffer most from any wages freeze which, in reality, is a wages cut.

The Hon. Neil McNeill: I suggest your profile is an inequitable one.

The Hon. GARRY KELLY: Is the member saying that those at the top end of the spectrum—lawyers, doctors, and professional people—will lose their jobs?

The Hon. Neil McNeill: You have not examined the situation very closely.

The Hon. GARRY KELLY: When the member has a chance to speak, he can show me where I am wrong.

The proposition of a wages cut was tried in the great Depression of the 1930s and the Federal Arbitration Court applied a 10 per cent wages cut across the board. During submissions to the Federal commission last week it was said, I think by Mr Justice Ludeke, that this was taking a step into the dark. He said that a similar step was taken in the 1930s and that this was a step in the dark. He said we could not guarantee that freezing wages would save jobs which may be in jeopardy, or would produce any more jobs.

Another fact which harks back to the days of the depression was that when it was proposed wages be cut, Harry Boan, the then owner of Boans Ltd., took out full-page advertisements in *The West Australian* arguing against the proposition. I can only suspect that Harry Boan would not be any great supporter of working-class struggles or the worker in general, but he could see the effects the cutting of people's wages would have on his business. As a retailer, he could see that, if people did not have money to spend, they would not buy anything and the goods would stay in his shop. Therefore, the disastrous effect a wages cut would have on retailing was evident.

If low wages are to be the salvation of the economy, I would like members opposite to explain why low wages have not been a rip-roaring success in Latin America which has roaring inflation, wages which can be classed as pittance, and a very wealthy elite. The economies in those South American countries are in dire straits. Mexico is on the point of bankruptcy. In the Philippines tradesmen's wages are approximately \$7 an hour and yet unemployment is at record levels. Why

are not the economies in those countries which have low wages stable and able to meet the needs of the people?

The Hon. P. H. Wells: Do they have stable Governments?

The Hon. GARRY KELLY: It depends what the member means by "stable". In the Philippines, President Marcos has been in power since 1972. It is a fact that low wages, by themselves, do not produce economic growth. If wages are lowered who will buy the goods which are produced by industry? If the people who produce those goods cannot afford to buy them, how will the owners of factories and industries make them pay? It is undeniable that wages are a cost, but one industry's costs are another industry's income.

If we reduce the amount of money in circulation, the number of goods sold and services consumed must fall off and, with that, the amount of employment available must decline also.

I refer to a point made by the Hon. Peter Dowding about Ministers of this Government telephoning hospital boards and employers imploring them not to execute any redundancies or sackings until after the election, because it would look bad for the Government.

In his reply, I should like the Minister to answer a question. The other day I spoke to an employee of BP at Kwinana. He told me in no uncertain terms that at a function for employees last week or the week before, the refinery management had said the days of the BP refinery at Kwinana were numbered. I should like the Minister in reply to give an undertaking as to the future of the BP refinery at Kwinana and to indicate also how this proposed wages freeze or cut will guarantee the jobs of people in industries of that nature.

The Hon. Des Dans referred to the closing down of the steel industry. How will the wages freeze help employees in those situations keep their jobs when the place shuts down?

In the Bill the Government makes great play of the provision of jobs. If members examine the situation they will see that the countries which have performed best in the recession are those which are not resource rich, but rather are countries such as Japan, Sweden, and the Netherlands which have invested in their people. Over a period of time those countries have invested in their people, in education, retraining and intelligent use of technology, with emphasis on research and development of new products and processes.

We do not do any of that in Australia and it is worth bearing in mind that the countries which

have looked to retraining their populations, developing new products and processes, and research have had the most success in maintaining high employment in full-time jobs—not the rubbish we get here about providing more jobs which are in fact part-time jobs.

In conclusion, I ask the Minister to note specifically the BP situation, because a certain amount of credibility must be given to this matter bearing in mind that BP has just built a new refinery in Singapore which could quite easily meet the demands of this area.

The Hon. G. E. Masters: They have spent quite a bit of money at Kwinana too, haven't they?

The Hon. GARRY KELLY: I have been told BP has spent too little too late in Australia; it is an obsolete refinery compared with the one in Singapore.

I should like some assurance about the future of the Kwinana refinery. If the Minister has been in contact with the management of that institution, I ask him whether he has requested that any announcement of likely redundancies be left until after the next election.

This Bill is a device which puts the onus for our getting out of the recession on those who can least afford it; that is, those who are earning a lot less than the average weekly earnings. If the Government intends to use average weekly earnings as the yardstick for measuring the increase in real wages, it is barking up the wrong tree. On that note, I ask the House to oppose the Bill.

THE HON. TOM McNEIL (Upper West) [9.58 p.m.]: I support the legislation, but I do so with great reservation. I do not profess to support the Bill with any surety as to whether I am doing the right thing. I can see some adverse conditions being imposed on those earning low wages, but without reiterating all the points made by members who have spoken in the debate, I shall centre my remarks on a particular objective referred to by the Minister in his second reading speech; that is, the preservation of small business.

I think members would agree that during the time I have been a member of Parliament I have tended to take a great interest in small business, having been a part of that sector before I came into Parliament. I have had a running battle with the Minister for Local Government over the proliferation of shopping centres and what this is doing to the small business sector. At one time we reached a stage where we were suggesting a Select Committee should be appointed in another place. That move was subsequently overruled by the appointment of what I consider to be a Government back-bench committee, which was a

complete waste of time. It dealt with a matter which at that time was crucial to the small business sector. It took only two months for the Government back-bench committee to reach a decision but it took the Minister 12 months to release the report, and it was released in this place only very reluctantly after I was asked to table a document from which I was reading. Apart from whitewashing some of the points raised by that back-bench committee, the Government did not get around to implementing the recommendations of that committee. From memory, the amount of floor space per head of population should have been a lot lower than that finally agreed to by the Government, which decided on a figure of 5 000 rather than 3 000 square feet.

Another harrowing feature was the all day shopping we had last Saturday. I agree with the Hon. Jim Brown and the Hon. Phil Lockyer that it was accepted by the public in Perth; but it was a disaster in country areas such as in my electorate and even closer to the metropolitan area such as at Moora.

Getting back to the proliferation of shopping centres: I fought tooth and nail to stop the Target Australia Pty. Ltd. development in Geraldton because of the damage it would do to its catchment area, which spreads from Meekatharra to Coorow. We now have the situation where small businesses in country towns are going to the wall. The Geraldton Town Council has applied for tourist resort hours, which means the Target shopping centre will be open until 5.30 on Saturday nights. That certainly will kill the main street of Geraldton and the surrounding towns.

There is no getting away from the fact that only a certain amount of money is available. I do not care about night shopping or all day Saturday shopping in Perth; as there is only so much money to be spent the effect this will have on country areas will be disastrous.

I read in my local paper the other night about my political opponent expanding on what the Liberal Government has done for small business. I did not care about that, but it got a bit hard to take when the next night I had to read what the member for Greenough was saying about the same thing. If they were asked to explain the 10 points I am sure they could come up with only two or three of them.

I honestly believe little stimulus has been provided for small business. The unrelenting proliferation of shopping centres has been absolutely disastrous. If we have reached the stage where we must have a freeze on wages, I can only hope the Government is doing the right thing.

The Hon. G. E. Masters: We think it will help small business.

The Hon. D. K. Dans: It helps small business by taking money from the workers! Really, it will not help small business.

The Hon. G. E. Masters: Yes, it will.

The PRESIDENT: Order!

The Hon. TOM McNEIL: If a shopkeeper wants to freight an item of clothing or a parcel to a country area for a purchaser, he is subjected to a \$10 minimum freight charge for bringing that item from the Perth metropolitan area. He must warn his customer that the customer must meet that cost on top of the cost of the article.

The bulk purchasing power of multinationals is an important aspect of the demise of small businesses in country areas. They can buy goods at wholesale, less 30 per cent.

The Hon. G. E. Masters: That is why a prices freeze is no good.

The Hon. TOM McNEIL: Let us consider some of the things happening to the small business people in Geraldton. They no longer receive calls from travellers unless they buy a set value of goods. In other words, if they do not buy \$500-worth of goods the firm in Perth no longer sends a representative to call on them. Recently, a firm supplying top quality blankets said that unless the small businesses bought \$5 000-worth of blankets, they could not get them.

We are opening up the doors for the multinationals which, through their purchasing power, have the ability to do this and to distribute the goods through their different branches. I am referring to firms such as Target and Coles. The little traders in country towns cannot do this and gradually more of them are being forced to the wall.

In country areas Total West is a complete disaster.

The Hon. Robert Hetherington: Hear, hear!

The Hon. N. F. Moore: You would not know.

The PRESIDENT: Order!

Several members interjected.

The PRESIDENT: Order!

The Hon. TOM McNEIL: I have been saying this for so long.

The Hon. N. F. Moore: I wish you would talk about the Bill.

The Hon. TOM McNEIL: Small businesses in country areas cannot obtain supplies of certain goods unless they make bulk purchases. If we consider the surrounding areas of Geraldton we find

that they are probably even worse off. In the initial stages when I first spoke about the cost of beer in country areas I explained how it was cheaper to go to Carnarvon to have a beer than to buy it in Geraldton. The point has been reached where this area has been opened up and there has been a lot of opposition to beer being transported to the area by any means other than rail.

The Hon. N. F. Moore: This does not have a lot to do with the Bill.

The Hon. TOM McNEIL: It has everything to do with the Bill. The Government is saying that I should vote for its legislation, but perhaps I should be opposing it.

The Hon. N. F. Moore: It would keep up your record of going along with the Opposition.

The Hon. TOM McNEIL: That might not be a bad idea, as all Mr Moore does is support his Government.

Several members interjected.

The PRESIDENT: Order! The honourable member should direct his comments to the Chair and not enter into conversation on some other subject with the other honourable member.

The Hon. TOM McNEIL: It is quite obvious that since members of the Government believe my vote will be with the Opposition, I will be more than happy perhaps to do so, because that is how I feel about this legislation. People like the Hon. Norman Moore cannot make up their minds. He cannot decide whether he wants to be a Federal politician or a State politician. He has had a bum steer from Noel Crichton-Browne. Obviously he did not have the numbers.

The PRESIDENT: Order! This has absolutely nothing to do with the Bill.

The Hon. TOM McNEIL: I have no doubt as to where the loyalties of the Hon. Norman Moore lie. The brother of Senator Noel Crichton-Browne will run against me in the Upper West Province at the next election, so I assume the Hon. Norman Moore will give him all the support he needs.

The Hon. N. F. Moore: It is Peter Crichton-Browne.

The Hon. TOM McNEIL: I do not care what the Hon. Norman Moore calls him

The PRESIDENT: Order! I have already informed the member on his feet that he ought to talk to the Bill. I suggest that he forget about having a conversation with honourable members on the other side and that he direct his comments to me and talk about the Bill.

The Hon. TOM McNEIL: I have expressed my doubts as to what this legislation will do to the people on low incomes. It is quite obvious some members of the House tend to believe I support the Opposition more than I should.

The Hon. N. F. Moore: I don't think you should support it at any time.

The PRESIDENT: Order!

The Hon. TOM McNEIL: I like to believe this House is a House of Review, but from the performance of members opposite, that thought would seem to be ridiculous. We can assume that since Assembly members have gone home Government members in this House intend to put this legislation through without any amendment so that we can all go back to our electorates. I do not say that is definitely the case, but that is how the situation appears.

I have indicated I am in two minds as to whether I should support this Bill. After listening to some of the comments from members opposite, I would not be surprised if I decided to oppose it.

THE HON. LYLA ELLIOTT (North-East Metropolitan) [10.12 p.m.]: I cannot help but smile when I think about the bleating of a couple of Government Ministers about my Bill, which was introduced a week or 10 days before the end of the last sitting, to the effect that the legislation was hasty and that there was not time to debate it fully. Here we have a Bill being bulldozed through in one day, a Bill of far-reaching implications for the lives of thousands of Western Australians.

I want to go on record as strongly opposing this legislation. It is just another Liberal stunt and is designed to kill two birds with one stone. Firstly, the Federal Government and this Government intend to deflect the blame for the country's appalling economic crisis from themselves, and to find a scapegoat for their incompetence. Secondly, they want to lower the living standards of our people, and workers' conditions even further. This Government is up to its old tricks along with the Fraser Government, which, in particular, is whipping up the unemployed to believe that they should blame those with jobs for the predicament in which they find themselves.

Members opposite say that wages and living standards in this country are too high. Thanks to many years of conservative Government the facts indicate that over the past 25 to 30 years living standards in this country have been dropping dramatically in comparison with those in countries which belong to the Organisation for Economic Co-operation and Development.

The Hon. A. A. Lewis: That was from 2 December 1972.

The Hon. LYLA ELLIOTT: I am glad Mr Lewis has referred to that year, because the facts indicate that the situation is contrary to that which he has implied. During the last 30 years, with one exception, the only time living standards have increased in this country was during the three years of the Whitlam Government. I will quote from an article in the Australian Industries Development Association journal of May 1982. It states—

A generation ago, only four countries in the world had higher average living standards than those in Australia. Today, there are ten countries which can boast higher living standards. The overall increase in Australian living standards has disguised the fact that, in relative terms, Australia is slipping behind. On current trends the average Singaporean will be consuming goods and services at a higher rate than Australians within 20 years.

The graph I have indicates that in all the years conservative Liberal Governments have been in power in this country the only time living standards have not dropped below those in comparable OECD countries was a short period in the late 1950s and early 1960s. The only other time this trend was reversed was during the period of the Whitlam Government, 1972 to 1975. Then Fraser took over and the trend continued, with standards dropping dramatically. If members do not believe me I will provide them with a copy of this material. Since the Fraser Government came to office we have suffered a massive redistribution of the wealth of this country. This has been achieved by direct and indirect taxes and the imposition of cuts in what is called the social wage, including such services as housing, health, and welfare.

In his second reading speech the Minister said that we must choose between wages and jobs. This Government is perpetrating a cruel lie on the people of this State by blaming wages for unemployment. It is not the fault of Australian workers that high interest rates are crippling the financial circumstances of many people, and especially small businesses and the home building industry. Every time home loan interest rates rise by 0.5 per cent another 4 000 Australians are excluded from the home market. That figure is an estimate by the Housing Industry Association. Can anyone say that higher interest rates do not affect the number of job opportunities? Of course they do. Higher unemployment is directly attributable to interest rates.

It is not the fault of Australian workers that the resources boom collapsed as a result of the decline in international demand for minerals and energy resources. The Australian worker cannot be blamed for the inflationary tax policies of Federal and State Liberal Governments. In particular I refer to the fuel tax, sales taxes and health insurance. Of course, one must not forget the high increase in taxes and charges imposed by this State Government. Our inflation is directly attributable to State and Federal taxes and economic policies. I will refer to this Government's record from the paper I have before me, although I will not cover the whole range of the items listed.

This Government has spoken about average weekly earnings exceeding the CPI increase, but its own taxes and charges have exceeded that increase.

The estimated increase in the CPI during the period 1973-74 to 1982-83 is 179.5 per cent. During that period the cost of water has risen by 500 per cent, sewerage by 397.7 per cent, drainage by 210 per cent, electricity by 238.3 per cent, and so on.

The Hon. Robert Hetherington: All due to wages, no doubt the Government says!

The Hon. LYLA ELLIOTT: That definitely contributes to the increase in the cost of living or the CPI.

The Hon. Robert Hetherington: A whole range of things contribute to it.

The Hon. LYLA ELLIOTT: It is not the fault of Australian workers that the Fraser Government has deliberately followed contractionary monetarist policies designed to create unemployment. High food costs caused by drought are not the fault of Australian workers, who cannot be blamed because technology and automation are stealing jobs—and this, I might add, is being subsidised by Fraser with our taxes.

The Hon. A. A. Lewis: Like white canes. They will curb all sorts of problems.

The Hon. LYLA ELLIOTT: The conservatives, the Liberals and their friends, the National Country Party, keep telling us that wages are too high and that they are ruining the country. Mr Wells is very fond of quoting from *The Bulletin*. I prefer to read *The National Times*. I will quote part of an article written by Brian Toohey in the August 22-28 1982 edition. The article followed the last Federal Budget.

The Hon. A. A. Lewis: I feel a speech coming on!

The Hon. LYLA ELLIOTT: It points out the problems with the Federal Liberal Government's

economic policies. It is a very interesting article which includes a graph which illustrates that wages costs are now lower than they were seven years ago; they have actually dropped.

The Hon. Tom Knight: Ludicrous in the extreme!

The Hon. LYLA ELLIOTT: This point was made by Garry Kelly when he referred to low wages in Latin America. The article reads as follows—

... if low wages were an unqualified good, Bangladesh should be a shining example of economic wisdom.

There are limits to how far wages can be sliced back, even allowing for some tax cuts, without consumer demand taking a kicking and a sizable chunk of the economy going under even further.

Many companies in the present climate may genuinely lack the money to give wage rises that keep up with inflation. But that is a function of the Government's consistent failure to promote economic growth in this country.

With the productivity gains that come from healthy growth, wages can do better than inflation without eating into profits.

This need not be some kind of fantasy—many of Australia's neighbours have enjoyed strong growth over the last decade while we have stagnated.

The failure to grow at a decent rate in Australia has led to the embrace of such "solutions" as a Budget whose success will be determined by how much it can cut living standards.

Ever since the Government took over in 1975 it has carried on about such bogeys as the "real wages overhang".

In truth, wages have not been a serious economic problem for the Fraser Government.

In terms of its version of success, the proportional cost of wages to the national economy has fallen almost without exception over the last seven years.

More importantly, real unit wage costs to employers, as tabulated in the Budget papers, are lower now than when Labor was in power. (See graph below).

Given that the Government makes such a noise about wages being the country's greatest economic problem, this is an astounding fact.

The reality is that wage costs have been more than held in check.

The fundamental problem is one of not enough growth. With growth, both wages and profits can go up while unemployment goes down.

The Government some time should try a Budget directed towards these old fashioned virtues.

We keep hearing how expensive wages are and yet we never hear that real unit wage costs are lower today than they were during the time of the Whitlam Government in 1975. Have wages been eating into profits? We are told that, if wages are dropped, profits will increase and they will be invested in all sorts of ways and will lead to the employment of new people. The Australian Bureau of Statistics national accounts show that between 1976 and 1981 the increase in income from profits actually outstripped wages. In that period personal income from profits rose by 190 per cent, whereas personal income from wages rose by only 150 per cent. I want to know what will happen when wages are cut by this freeze and what guarantee there will be that the money will be used to employ people. There is no guarantee. What guarantee is there that the money saved by Governments through a wages pause will be used to provide more jobs?

Mr Wells was espousing the possibilities of what will happen with the \$365 million which the Federal Government is supposed to save. My readings have told me that some of the so-called "dries" in the Federal Government do not want it spent on jobs, but used to reduce the Budget deficit, so there is no guarantee at all. Will there be any surplus, anyway? What about the loss of taxation through the wages forgone, not to mention that because people have less money to spend it will inevitably result in a smaller consumer demand which will create more unemployment? If we look at the situation, for example, of a person earning \$300 a week and if we tell him he cannot have a wages increase for 12 months and the CPI goes up by 10 per cent in that period, it means he has effectively lost \$30 a week, or \$1 560 during a year; he does not have that money to spend and has less purchasing power. Obviously if he can buy fewer goods, pay for fewer services, and pay less tax, how will that create more jobs?

The Hon. J. G. Pratt: That is if it rises.

The Hon. Robert Hetherington: When it rises. It will rise.

The Hon. LYLA ELLIOTT: Surely, Mr Pratt is not suggesting it will not continue to increase, because if he is, that is a joke. It is not only the

Labor Party that is opposed to this nonsensical piece of legislation which is before us; we are opposed to it on the ground of injustice, and also because we are convinced it just will not work. People have short memories and I wonder whether they remember what Mr O'Connor said on 16 November. He was quoted in the *Daily News* as saying—

The WA Premier, Mr Ray O'Connor, said if you have a wage freeze you have to have a prices freeze.

What has happened to make him change his mind? On the same day, the Queensland Acting Premier (Mr Sullivan) said the proposed freeze on Public Service wages was nonsense. In *The Australian* on 17 November, Mr O'Connor was quoted again as saying he made it clear he did not believe the Federal plan for a wages freeze would work, and questioned Canberra's plan for a one-day Premiers' Conference. Further on in the article, Mr Bjelke-Petersen said he would oppose any enforced wages-prices freeze. The article continued—

The strongest attack came from the Australian Chamber of Commerce, which described the idea of a wages freeze as a "shortsighted crisis measure".

On the same day, *The West Australian* reported as follows—

The executive director of the Australian Chamber of Commerce, Mr R. Pelham Thorman, said that Australia was in danger of reaching the stage in which normally sensible people could lose their balance and fundamental principles in a crisis atmosphere.

Some of the proposed prescriptions for Australia's economic ills had all the hallmarks of having been inspired by panic and they were likely to do major harm if they were implemented.

It is not only Labor people, but all thinking people—who know something about how the system works—who have to be opposed to this type of legislation. It is another cruel Liberal confidence trick to be perpetrated on the Australian people. It will not provide more jobs and it will rob the working people of their just wages. In the end, it will be a disaster; and I strongly oppose the Bill.

THE HON. ROBERT HETHERINGTON (East Metropolitan) [10.32 p.m.]: I oppose this Bill. It worries me that people with such a kindly disposition as that of the Hon. Peter Wells—

The Hon. G. E. Masters: I thought you were going to say me.

The Hon. ROBERT HETHERINGTON: The member may have a kindly disposition, but he does not have a great deal of understanding of the problems of people, as is the case with Mr Wells.

The Hon. G. E. Masters: He tends to get spiteful at this time of the night.

The Hon. ROBERT HETHERINGTON: If the Minister wishes me to get spiteful—

The Hon. G. E. Masters: I am shaking in my boots.

The Hon. ROBERT HETHERINGTON: I am sure it would not worry the Minister as it does not worry him that the lives of people will be destroyed. He is hoping to do something with this legislation to get his Government back into office.

Ever since I came into this Chamber, I have been talking about unemployment. I can remember the Hon. Gordon Masters, when he was Government Whip, lecturing me on the fact that we had unemployment because people did not wish to work and he trotted out the old "dole bludger" line. That was fine because people accepted the myth that young people did not want to work, as it was accepted in the 1930s. However, what has happened now is unemployment has reached the stage that many people who have worked for 20 years are losing their jobs and will never get another one.

No longer can the Government survive in its belief that people do not wish to work and that is why we have unemployment. Suddenly, after all this time, the Government finds that unemployment is a serious problem. I am glad the Government has discovered this fact at last, but, had it discovered it seven years ago, it might have been able to do something about the matter. I am not saying that any Government in this State could go against the worldwide depression entirely, and I will not say that all the ills of this country are caused entirely by the Fraser Government as was said by people in this House about the Whitlam Government.

The Hon. Tom Knight: That was in 1972.

The Hon. ROBERT HETHERINGTON: They said that in 1977 when I was here. Of course, many of the problems started in 1972. If the honourable member would like to cast his mind back—

The Hon. Neil Oliver interjected.

The Hon. Tom Stephens: Were you still a dill in 1971?

Point of Order

The Hon. P. H. LOCKYER: The comment made by the Hon. Tom Stephens to my colleague was offensive and I request that he withdraw it.

The PRESIDENT: What was the comment?

The Hon. P. H. LOCKYER: He referred to my honourable colleague as a "dill".

The PRESIDENT: Order! There is no point of order.

The Hon. Tom Stephens: Hear, hear!

Debate Resumed

The Hon. ROBERT HETHERINGTON: In 1972, under the McMahon Government, investment in this country for development switched to investment in speculation and that was the beginning of inflation and the beginning of our trouble. It did not happen with the Whitlam Government. If it failed to deal with some of the problems, it is to its discredit, but that was not the Government under which our problems started. If honourable members would care to listen, perhaps they might find there is something in my argument. However, they do not want to listen. I was reminded of the vociferous interjections of the Hon. Graham MacKinnon when my friend, the Hon. Peter Dowding, was speaking. When the honourable member was Leader of the Government, whenever we put forward an argument on electoral justice—this is relevant, Mr President, you will find, as I develop my argument—he would say, "All you are interested in is power". I have found that conservative Governments tend to do a Freudian transference of their real motives onto their opponents. Indeed, all this Government is interested in is power. It is interested in power and the battle to obtain it.

However, suddenly after all these years, unemployment became an electoral issue and the Fraser Government found that its ratings in the polls were sliding rapidly. Suddenly, the Liberal Government in this State found that it had little chance of succeeding in the poll under Sir Charles Court. Suddenly it realised it needed a new leader, but it found that the new leader was not doing so well so it had to look as though it was doing something, hence this legislation.

As far as I am concerned, this legislation is a cheap piece of electioneering or a very foolish piece of legislation from people who do not understand anything. It may be both.

Many people such as the Hon. Peter Wells, who have a great deal of compassion, look at the surface of this legislation and believe it will give

some jobs to some people, and therefore it is good. We have to look at the matter overall and the macroeconomics of the country and what has been happening in many areas. We need to look at this business of saving which we have been told about by the Hon. Peter Wells.

The money we will save as a result of a wages freeze and the money we will save by our not paying public servants will create jobs. At least the Liberal Government has recognised that we must have Government expenditure to produce job creation schemes. It has whipped them up proudly like a rabbit out of a hat and says that it will save all this money. What will happen is that, as the Hon. Peter Wells was only too happy to point out, when wages cannot rise, some people will receive small wages and there will be for the State a lovely saving in taxation that will not go to the Federal Government. In the same way, the projected revenue from the Federal Government in the financial year will not be met.

So whether the deficit will balance, I do not know. I have not the figures, but if we spend the money we are saving, we are spending money above the receipts and we are likely to have a deficit. It is the very thing the Fraser Government claims we should not do. The Fraser Government's policies, ever since it got into power, were initially to save inflation even at the expense of employment, and then to get on with getting rid of unemployment. It has not contained inflation, and suddenly we find that unemployment is an election issue.

Even the Minister for Labour and Industry realises that not everyone is out of work because he is a dole bludger; not everyone is out of work because he likes surfing; and not everyone is out of work because he likes to live on the dole. Some people are out of work because there are no jobs to be had and the number without jobs is rising all the time. Had the Minister had any sense of history—which he has not—he might have recognised that unemployment is cyclical in a capitalistic economy.

As I have pointed out time and time again in this House, there has been a major depression approximately every 40 years. A depression occurred in 1840, 1890, 1930, and the 1970 depression has been held up for a while and is now likely to hit us. Therefore, we are in real trouble and it will not be solved by this Bill which may or may not become a piece of legislation—the fate of the Bill, as is the fate of the State, is held in the hollow of the Premier's head. He can decide whether this legislation can be proclaimed, not proclaimed, or deproclaimed. He will be like a monarch deciding the fate of this legislation.

Under this legislation, we will have arbitrary government at the whim of the Premier and this I find a sad step for our State to take. Once we have arbitrary legislation at the whim of the leader, we are taking the first step towards totalitarian government. This Bill may well have been appreciated by a young Adolf Hitler or by a young Brezhnev before he developed his full faculties.

Several members interjected.

The Hon. ROBERT HETHERINGTON: Members can make hoo-ha noises as much as they like, but I suggest they think seriously of what is happening in this country because what is happening in this country and the world is tremendously serious.

I know that little Norman Moore will talk about gloom and doom.

The Hon. P. G. Penda: He is not here.

The Hon. ROBERT HETHERINGTON: He is not here? I noticed that Mr Moore, when speaking in this House on a Bill which he thought was important, pointed out that many members from our side were not present in the Chamber. I am pointing out he is not here.

The Hon. P. H. Lockyer: He is here.

The Hon. ROBERT HETHERINGTON: By his absence he shows he thinks the Bill is not important; or he has had a call of nature. I would not think anything of him—

Several members interjected.

The PRESIDENT: Order!

The Hon. ROBERT HETHERINGTON: I have learned my manners from the Hon. Norman Moore.

The Hon. P. H. Lockyer: That is a bit rough.

The PRESIDENT: Order! Honourable members will cease their interjections and the honourable member on his feet will direct his comments to the Chair and to the Bill.

The Hon. ROBERT HETHERINGTON: When I first came to this State in 1967 I used to write the political commentary for the *Australian Journal of Politics and History*—and this is relevant to the Bill. Shortly after I came to Western Australia there was a strike of bakers who had been made redundant by a dough-kneading machine. Their skills, which they had spent many years acquiring, became redundant and they were downgraded. I was aware then, and I said to my students—

The Hon. Neil Oliver: Are you for or against the Bill?

The Hon. ROBERT HETHERINGTON: I am against the Bill. It is a foul and iniquitous piece of legislation and, had the honourable member been listening when I first got up, he would have heard me say I was against the Bill; and I have not changed my mind. Had the honourable member been here and listened, he would not have had to ask his usual fatuous question. I am not for this Bill; I am against it. I hope there is no doubt about that. It is an inadequate Bill that does not deal with the major problems and I believe it pulls a smoke screen over the major problems facing us and with which we are failing to deal.

Two things have happened in the western capitalist economy, and one is what Mr Dans referred to—the crisis of overproduction. I am always amazed when people talk of productivity and I was appalled when the former Premier, Sir Charles Court, said the answer to our problems was to produce our way out of our problems. Of course, by extending our iron ore production we produced our way into problems because there was overproduction as there usually is in a capitalist system. No wonder we cannot sell our iron ore because there is enough on the grass in Japan to keep the Japanese going for a long time. They do not need any more. One of the problems throughout the world is overproduction and I was interested to know, as a new graduate in the 1950s—I graduated rather late when I was 28 years of age—

The Hon. P. G. Pental: That is understandable.

The Hon. ROBERT HETHERINGTON: It is understandable because I spent five years in the Australian armed forces, but the honourable member with his usual sniggering remarks would know nothing about that.

The Hon. P. G. Pental: What about talking on the Bill for a couple of minutes?

The Hon. ROBERT HETHERINGTON: I am getting to the Bill. What I am saying is highly relevant to the Bill. I am not sure whether Mr Pental will follow what I am saying, but, if he listens, he will find that my remarks are relevant to the Bill.

The Hon. I. G. Pratt interjected.

The Hon. ROBERT HETHERINGTON: If the Hon. Mr Pratt would allow me to develop my view, he might see I have not got any simple solution and I am certainly not going to reduce wages to cut back on productivity. What I am saying is we have a problem of overproduction and we cannot sell our product. There is not enough demand to deal with it. That is one of the problems with growth of unemployment.

What we did manage to do in Australia, as was done in other places, was to find a way to extend credit to an extent we did not imagine before. I remember the case in relation to refrigerators.

The PRESIDENT: Order! I remind honourable members that the rule regarding the reading of newspapers has not been altered. I remind them it is out of order.

The Hon. ROBERT HETHERINGTON: Two things happened as far as refrigerators were concerned because under the usual model that we were being taught in the Economics Department of the University of Adelaide, people should have gone broke and bankrupt. They changed the shape of the refrigerators and created psychological obsolescence and extended credit so that the whole problem of a collapse in the economy was averted, and the economy kept going.

Eventually we have reached the stage where the world has overproduced. The other thing that happened in Australia, and one which has bedevilled Governments of all political persuasions, Labor and Liberal—and we have found it difficult federally to do anything about it because it is one of the sacred cows of Australian politics—is that in the nineteenth century when it made sense we built up industries behind a protective wall of tariffs. Finally, we managed to produce industries which were unduly protected and did not have to change technologically. Our manufacturing industry at present is technologically out of date and outmoded.

The Hon. Neil Oliver: To which industries are you referring?

The Hon. ROBERT HETHERINGTON: The steel industry, the motorcar industry, most of the heavy steel industries, and the manufacturing industries across the board.

The Hon. Neil Oliver: Can you be more specific?

The Hon. I. G. Pratt: You are not referring to footwear?

The PRESIDENT: Order!

The Hon. ROBERT HETHERINGTON: If any of the honourable gentlemen who are interjecting care to do so, they can read the report by the head of CSR which was commissioned by the Federal Government. It relates to Australian industry and it makes very sober reading. It points out Australian industry is inefficient and outdated. We are technologically outdated and we are finding it difficult to compete in world markets. This is not because of high labour costs, but because of technology. Another thing that has happened with technological change—

The Hon. D. J. Wordsworth: Why are the bosses not introducing new technology?

The Hon. Neil Oliver interjected.

The Hon. ROBERT HETHERINGTON: I just said—and apparently the honourable member was not listening—that I think Australia is behind in technology. It is not behind in all technology, but generally it is behind. If one reads *The Bulletin*, *The Australian Financial Review*, and articles by economists, one finds they all agree, as did the report on industry commissioned by the Federal Government, that our manufacturing sector tends to be inefficient. We are finding it difficult to compete and to change technology. We did not do it soon enough. Now, when we change to technology it brings other problems because we capitalise—more money goes into capital equipment and people are sacked. It happened with the Swan Brewery and with Telecom, and it is happening throughout Australia and the world. People will be put out of employment through changing technology.

This particular recession is not a temporary phenomenon. As my leader said earlier some people have lost their last job—people of 50 years of age—and they will not be in employment again. This is a very great tragedy but it means we will need fewer and fewer people until in due course our birth rate results in there being so few young people in comparison with older people there will be plenty of work for all if we do not decide to shoot them. That is a problem we have not come across yet. We have to think about that in the future.

The problems of technology and structural changes in the economy have been facing us for years. I am not an economist but I became aware of this in the late 1960s. I accept the fact that my opponents in this House are the first to tell me that I am not as bright as many people who are economists. However, I became aware of the problem and if I was able to do that, other people should have become aware of it. Nothing, adequate has been done. An attempt was made to do something when Dr Jim Cairns was Treasurer in the Whitlam Government. He imposed a blanket 25 per cent cut in tariffs to try to get rid of the protective wall. I thought at the time it was stupid, and I still think so. One cannot impose a blanket cut; it has to be careful and selective. He did not have time to learn from his mistakes and do something better which I think he could have done.

Through the power-hungry machinations of the present Prime Minister the Labor Government went out of office when it was finding its way and

had a great deal to learn, unlike the present Government which, after seven years, has forgotten nothing and learned nothing. It keeps the same policies going to the detriment of the country until suddenly now it has decided it must do something.

I suggested in relation to another piece of legislation that it might be described as Diogenes' law. When Diogenes was in Athens and it was about to be invaded he rolled his barrel up and down and said with so many people doing so much that, he had to be seen to be doing something. The present Premier is like Diogenes; when so many people are doing something, he has to be seen to look as though he is doing something. In fact, he is doing nothing.

The Hon. P. G. Pendar: Like Mr Bannon and Mr Cain because they all agreed with it.

The Hon. Peter Dowding: You are hopeless at politics, Pendar!

The DEPUTY PRESIDENT: Order!

The Hon. ROBERT HETHERINGTON: Mr Pendar has once more interjected with his untrue statements.

The Hon. P. G. Pendar: They are not untrue.

The Hon. ROBERT HETHERINGTON: All the Premiers did not agree.

The Hon. P. G. Pendar: It is a matter of record.

The Hon. ROBERT HETHERINGTON: It is not a matter of record and the member is not telling the truth.

Withdrawal of Remark

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order! I ask the Hon. Robert Hetherington to withdraw the remark about the statement being untrue.

The Hon. ROBERT HETHERINGTON: The statement is untruthful and I will not withdraw my comment.

The DEPUTY PRESIDENT: I ask the honourable member to withdraw the remark.

The Hon. ROBERT HETHERINGTON: I will not withdraw it; it is not unparliamentary. I am certainly not going to withdraw it.

The DEPUTY PRESIDENT: The Hon. Robert Hetherington is accusing a member of an untruth. It is not parliamentary and I ask him again to withdraw.

The Hon. ROBERT HETHERINGTON: I say to you once more, Mr Deputy President, that the statement is accurate and I will not withdraw it. I hope you do not ask me again because I will not, under any circumstances, withdraw the statement.

The DEPUTY PRESIDENT: In accordance with Standing Order No. 106 I wish to report to the Council that the member has committed an offence. I call on the honourable member to make an explanation.

Point of Order

The Hon. PETER DOWDING: If it is alleged that these words offend under Standing Order No. 106(c), you have previously held words were objectionable because the member about whom they were used objected. You have previously ruled that while they may not be objectively objectionable, if the member objects they are subjectively objectionable, and they should be withdrawn.

Deputy President's Ruling

The DEPUTY PRESIDENT: Order! There is no point of order.

The Hon. PETER DOWDING: I am suggesting, Mr Deputy President, there is a point of order.

The DEPUTY PRESIDENT: I am saying there is no point of order. I call on the Hon. Robert Hetherington to make his explanation.

The Hon. PETER DOWDING: Mr Deputy President, I wish to move to disagree with your ruling that there is no point of order.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order! The Hon. Peter Dowding is out of order. He will resume his seat. I have given the Hon. Robert Hetherington the privilege of replying, in accordance with the Standing Orders of this place.

Debate (on withdrawal of remark) Resumed

The Hon. ROBERT HETHERINGTON: I have always said the Westminster system of Parliament is a system in which we undergo ritual aggression. I agree with the honourable Aneurin Bevan who said the whole purpose of the system is to mute the struggle outside. I believe what I was saying was accurate. When the Hon. Phillip Pandal continually interjected with remarks that were untrue, I said his remarks were untrue; in fact, I insisted his remarks were untrue. As in the heat of the moment I was forced to speak the truth, I am not going to retract the truth. The honourable gentleman's interjections in my opinion were dishonest and disgraceful.

The Hon. P. G. Pandal interjected.

The Hon. ROBERT HETHERINGTON: The honourable gentleman has not the decency to

refrain from interjecting when I am about to be thrown out.

Points of Order

The Hon. PETER DOWDING: Mr Deputy President, under Standing Order No. 98, if any objection be taken to the ruling or decision of the President, such objection shall be taken at once. I submit to you that my motion that your ruling be disagreed with is in accordance with Standing Order No. 98, and I so move.

The Hon. J. M. BROWN: I second the motion.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order! The motion is out of order.

The Hon. J. M. BROWN: I second the motion, in accordance with Standing Order No. 98.

The DEPUTY PRESIDENT: Order! I have informed the Hon. Robert Hetherington he has a privilege and a right to speak, and I believe he should be heard without interruption.

The Hon. PETER DOWDING: On a point of order—

The DEPUTY PRESIDENT: Order! The Hon. Peter Dowding will resume his seat.

The Hon. PETER DOWDING: On a point of order, Mr Deputy President—

The DEPUTY PRESIDENT: Order! The Hon. Peter Dowding has offended against Standing Order No. 106.

The Hon. Fred McKenzie: What about Standing Order No. 98?

The Hon. Tom Stephens: What an absolutely hopeless Government.

The Hon. PETER DOWDING: Mr Deputy President, you are destroying democracy. On a point of order—

The DEPUTY PRESIDENT: Order! There is no point of order. The Hon. Peter Dowding will resume his seat. I have given the Hon. Robert Hetherington the privilege of putting his case to the House. I cannot hear two members at the same time; therefore, I suggest the Hon. Robert Hetherington proceed with his remarks, if he cares to.

The Hon. PETER DOWDING: Mr Deputy President, I wish to take a point of order.

The DEPUTY PRESIDENT: Order! I cannot hear two members at the same time.

The Hon. PETER DOWDING: With respect, Mr Deputy President, you can when a member wishes to take a point of order, and I seek to take a point of order. With respect, you cannot rule on my point of order until you know what it is.

The DEPUTY PRESIDENT: Order! There is no point of order. I call the Hon. Robert Hetherington.

Debate (on withdrawal of remark) Resumed

The Hon. ROBERT HETHERINGTON: I object to being required to continue to speak when a point of order has been called. When any member is speaking and a point of order is called, the President usually listens to it.

I wish to say two things: The first is that I said an interjection was untrue. That was a factual statement. I do not know the intention of the member who made that interjection. However, to my mind, a statement that an interjection is untrue is not contrary to Standing Orders, and I believe your ruling is incorrect. However, Mr Deputy President, as you have put me up to explain myself, after having said my remark was unparliamentary, I believe I am standing before you explaining an incorrect ruling, my having made a statement which I believe to be true. In fact, the statement made by the Hon. Phillip Pental was untrue. I had been trying to develop a complicated argument about the nature of this Bill. Certainly, the behaviour of the Government earlier in refusing to deal with the Hon. Lyla Elliott's Bill, the interjections I received which provoked this situation, and your behaviour in the Chair, lead me to believe I can get no justice in this Parliament tonight.

Point of Order

The Hon. PETER DOWDING: I wish to take a point of order.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): I will take the Hon. Peter Dowding's point of order now.

The Hon. PETER DOWDING: Thank you, Mr Deputy President. I submit to you that your demand that the Hon. Robert Hetherington withdraw those words is not proper since the words he used were not objectionable. In those circumstances, he should not be called upon to withdraw them. Furthermore, the Hon. Robert Hetherington was objecting to an untrue statement which was made by way of interjection—an interjection you chose to ignore. It is my respectful submission to you that you are not in a position to demand a withdrawal of those words.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): Order! As I understand the situation, the Hon. Robert Hetherington did reflect upon another member and, therefore, I asked him to withdraw those words. He has chosen not to do so and, in my judgment, he has committed an of-

fence against Standing Order No. 106. My decision on the matter stands.

Dissent from Deputy President's Ruling

The Hon. PETER DOWDING: I move—

That the Deputy President's ruling be disagreed with.

The Hon. J. M. BROWN: I second the motion in accordance with Standing Order No. 98.

The Hon. PETER DOWDING: Mr Deputy President, Mr Pental interrupted the speech of the Hon. Robert Hetherington and made an assertion which was false. The Hon. Robert Hetherington properly characterised it as false. I have said before in response to rulings from you that what is sauce for the goose unfortunately is rarely sauce for the gander. You have previously ruled in this House that words are objectionable if the member concerned takes an objection to them. Mr Pental took no objection to the words. However, you with alacrity demanded the withdrawal of those words on the basis that they were objectionable. The fact is that Mr Pental said words which the Hon. Robert Hetherington regarded as untrue. Surely we are not so namby-pamby in this place that we cannot say that someone is speaking an untruth. It is one thing to call a person a blatant, downright liar, which the Hon. Robert Hetherington might well have done, but did not; it is quite another thing to say Mr Pental had spoken an untruth.

The Hon. G. E. Masters: You would be an expert on those words.

The Hon. PETER DOWDING: The Minister's nose would be two feet long if the old adage were true. If we are to be as namby-pamby in this House as to describe as unparliamentary the statement that an assertion is untrue, how on earth can we conduct proper debates? What do we say when somebody makes an untrue statement? How is it a reflection on that member, or objectionable for another member to say that the assertion he has made is false?

Really, if this Parliament is to represent a semblance of a democracy, surely the Opposition is at liberty to say the Government is putting up a falsehood or, in the mild way of the Hon. Robert Hetherington, to say that a statement is untrue.

Mr Deputy President, your ruling on this matter is quite contrary to established practice in this House. With due respect, I indicate that on other occasions you have sat in that Chair for hour after hour and have heard people talk about other members making statements which were untrue. Yet never before have I heard you demand a withdrawal of those statements. Therefore, I ask

the House to support my motion to disagree with your ruling.

Motion (dissent from Deputy President's ruling) put and a division called for.

Bells rung and the House divided.

Remarks during Division

The Hon. Robert Hetherington: It is an honour to be thrown out.

The Hon. Tom Stephens: If he had any sense he would withdraw his ruling. The "good news toy Parliament" this has become.

Result of Division

Division resulted as follows—

Ayes 12

Hon. N. E. Baxter	Hon. Robert Hetherington
Hon. J. M. Berinson	Hon. Garry Kelly
Hon. J. M. Brown	Hon. R. T. Leeson
Hon. D. K. Dans	Hon. Tom McNeil
Hon. Peter Dowding	Hon. Tom Stephens
Hon. Lyla Elliott	Hon. Fred McKenzie

(Teller)

Noes 18

Hon. H. W. Gayfer	Hon. Neil Oliver
Hon. Tom Knight	Hon. P. G. Pandal
Hon. A. A. Lewis	Hon. W. M. Piesse
Hon. P. H. Lockyer	Hon. R. G. Pike
Hon. G. C. MacKinnon	Hon. I. G. Pratt
Hon. G. E. Masters	Hon. P. H. Wells
Hon. Neil McNeill	Hon. R. J. L. Williams
Hon. I. G. Medcalf	Hon. D. J. Wordsworth
Hon. N. F. Moore	Hon. Margaret McAleer

(Teller)

Motion thus negatived.

Suspension of Member

The Hon. I. G. MEDCALF: I move—

That the Hon. Robert Hetherington be suspended from the sitting of the Legislative Council.

Motion put and a division taken with the following result—

Ayes 18

Hon. H. W. Gayfer	Hon. Neil Oliver
Hon. Tom Knight	Hon. P. G. Pandal
Hon. A. A. Lewis	Hon. W. M. Piesse
Hon. P. H. Lockyer	Hon. R. G. Pike
Hon. G. C. MacKinnon	Hon. I. G. Pratt
Hon. G. E. Masters	Hon. P. H. Wells
Hon. Neil McNeill	Hon. R. J. L. Williams
Hon. I. G. Medcalf	Hon. D. J. Wordsworth
Hon. N. F. Moore	Hon. Margaret McAleer

(Teller)

Noes 12

Hon. N. E. Baxter	Hon. Robert Hetherington
Hon. J. M. Berinson	Hon. Garry Kelly
Hon. J. M. Brown	Hon. R. T. Leeson
Hon. D. K. Dans	Hon. Tom McNeil
Hon. Peter Dowding	Hon. Tom Stephens
Hon. Lyla Elliott	Hon. Fred McKenzie

(Teller)

Motion thus passed.

The DEPUTY PRESIDENT (the Hon. V. J. Ferry): I ask the Hon. Robert Hetherington: Will he kindly withdraw?

The Hon. Robert Hetherington: I want to be escorted.

The Hon. P. H. Lockyer: Don't be childish.

The Hon. Robert Hetherington: I will follow the forms of the House.

[The Hon. Robert Hetherington left the Chamber.]

The Hon. D. K. Dans: We will all leave together.

The Hon. P. H. Lockyer: Take your bat and ball home.

Point of Order

The Hon. PETER DOWDING: I rise on a point of order.

The DEPUTY PRESIDENT: There is no point of order. I ask members to resume their seats.

The Hon. PETER DOWDING: You do not know what the point of order is unless you do me the courtesy of listening. You have shown that you have not treated this party fairly.

The Hon. Tom Stephens: Contemptible Chamber!

Debate (on second reading) Resumed

The DEPUTY PRESIDENT: The question is that the Bill be now read a second time.

[Opposition members left the Chamber.]

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [11.19 p.m.]: I need to make a couple of points, although I will be very brief. For the sake of the record, I feel I should refer to some of the points raised. The Hon. Des Dans referred to the number of jobs lost in this State each week. He said that 600 jobs are lost each week, and that figure is not correct. The number of jobs lost between June and November 1982 was 233 per month; that is, full-time and part-time jobs. That figure should appear in the record.

I am disappointed that the Hon. Garry Kelly has left the Chamber. He described the Australian Medical Association as "a bunch of pro-

professional thieves". That expression was quite uncalled for, and it should be drawn to the attention of the House as something not favoured as the type of comment which should be used in the context of this legislation.

I believe honourable members are satisfied with the legislation; and it is not necessary for me to go into great detail on the matters raised.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee

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

Clause 1: Short title—

The Hon. P. G. PENDAL: During the second reading debate, one of the comments used in relation to an interjection I made was that I was dishonest. I want it shown in the record that I may well have been mistaken in my belief that led to that interjection, but I do not believe I was mistaken. A member of this Chamber, of course, is entitled to say, "You are mistaken". However, the word used conveyed to the Chamber that I was dishonest, and I reject that. I want that to be a matter of record.

I support the clause.

Clause put and passed.

Clauses 2 to 18 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

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

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [11.24 p.m.]: I move—

That the House at its rising adjourn to a date to be fixed by the President.

Question put and passed.

House adjourned at 11.25 p.m.

QUESTIONS WITHOUT NOTICE SHOPPING

Retail Stores: Extended Trading

203. The Hon. GARRY KELLY, to the Minister for Labour and Industry:

- (1) Did the Minister confer with his colleague, the Minister for Transport, regarding the provision of extra MTT services for the afternoon of Saturday, 18 December 1982, prior to his allowing extended trading hours on that day?
- (2) If, yes, what arrangements were made?
- (3) If no discussions took place, why not?

The Hon. G. E. MASTERS replied:

- (1) to (3) I did discuss this matter briefly with the Minister, but certainly major discussions were held after the decision was made for Saturday afternoon trading. Therefore, I merely discussed the matter with the Minister for Transport after the decision was made.

SHOPPING

Retail Stores: Extended Trading

204. The Hon. GARRY KELLY, to the Minister for Labour and Industry:

Surely if the decision were made to open shops for trading on Saturday afternoon it would be common sense to provide public transport in order that people could get to the shops, otherwise provision would be made only for those persons who had private transport.

The Hon. G. E. MASTERS replied:

I am not sure whether the honourable member was asking for an opinion.

The Hon. Peter Dowding: He asked a question. Do not vasillate, it is a simple question.

The Hon. G. E. MASTERS: I discussed the matter in detail with the Minister for Transport after the decision was made in order to ascertain what could be done to provide extra transport. I understand that some arrangements were made and I am not sure whether they coped with the large crowd which was not expected. However, the reports I have received indicate that the public transport was reasonable for what was a greater public response than was expected.

RECREATION

Sports: Coaching

205. The Hon. NEIL OLIVER, to the Minister for Recreation:

The Government has stated its intention to assist with sports development in country areas. I ask—

- (1) What assistance has the Government given to sport coaching in country areas in the last year?
- (2) What assistance is planned for the 1983 calendar year?

The Hon. R. G. PIKE replied:

I thank the honourable member for notice of this question.

Several members interjected.

The PRESIDENT: Order!

The Hon. R. G. PIKE: The answer is as follows—

- (1) and (2) The Department for Youth, Sport and Recreation has initiated the country assistance scheme for sport which offers educational projects for country coaches, administrators and officials. Approximately 1 000 country people participated in the scheme this year, an increase of 150 per cent.

In addition, the Government, with the assistance of Alcoa of Australia Ltd, brought a number of top sports coaches to Western Australia—for example, Sir Garfield Sobers (cricket), Mrs Domini Morgan (equestrian) and Mr Ross Smith (football)—all of whom toured country areas.

Plans are well advanced for new initiatives in 1983, namely a multi sport seminar in the Pilbara and the production of video tapes to assist coaches and administrators in country areas.

ROAD

Wickham By-pass

206. The Hon. PETER DOWDING, to the Leader of the House representing the Minister for Transport:

I have given notice of this question to the Minister for Transport and I ask the Leader of the House if he is in a position to advise the cost of the ceremony held to open the Wickham by-pass road on Friday, 3 December 1982?

The Hon. P. H. Lockyer: You are small minded.

The Hon. I. G. MEDCALF replied:

I am sorry, but I have not received notice of this question.

The Hon. P. H. Lockyer: You are starting the lies again.

The Hon. Peter Dowding: You belt up.

The Hon. P. H. Lockyer: Come over and try it—you make me.

The PRESIDENT: Order!

RECREATION

Elderly People

207. The Hon. W. M. PIESSE, to the Minister for Recreation:

- (1) In this place on 28 April this year, the Minister said that the Department for Youth, Sport and Recreation would arrange courses in country areas relating to recreation for elderly people. Has the Government conducted any such courses this year?
- (2) If so, how many and in what areas?

The Hon. I. G. PIKE replied:

- (1) and (2) The Government, through its Department for Youth, Sport and Recreation, has conducted 10 courses on recreation for elderly people in care during the last six months. Eight of these courses were held in country centres. Over 200 staff and volunteers working in nursing homes, retirement villages, hostels and hospitals attended these courses. Participants attending the eight courses in country centres came from over 20 different towns.

APPRENTICES

Government Contracts

208. The Hon. PETER DOWDING, to the Minister for Labour and Industry:

- (1) Is the scheme requiring successful tenderers for Government jobs to employ a certain number of apprentices still in existence?
- (2) If so, what is the departmental estimate of contract values adjusted to Perth prices and the number of Western Australian registered apprentices required to be employed by each firm?

- (3) Are firms located in the north-west given any special considerations; if not, why not?

The Hon. G. E. MASTERS replied:

(1) Yes.

- (2) For the purpose of assessing the apprentice requirements on individual projects, estimates are reduced to Perth prices by the application of a district loading factor, which is variable and dependent on the geographical location of the project in question.

The number of apprentices required to be employed on a particular project or part of a project is determined by the estimated value adjusted to Perth prices and related to scales of minimum apprentice numbers appropriate to the trade being considered.

For head contracts, the minimum apprentice requirements for projects estimated to cost between \$125 000 and \$300 000 is one apprentice. The apprentice requirement increases on a sliding scale up to six apprentices for projects costing in excess of \$5 million.

The scales are adjusted at frequent intervals to keep pace with inflation.

- (3) Yes. Contractors whose principal fixed establishment is situated in the north-west are exempt from the requirement to employ apprentices.

RECREATION

Disabled People

209. The Hon. TOM KNIGHT, to the Minister for Recreation:

The Access Guide for Disabled People to Outdoor Recreational Areas, which was released by the Minister yesterday and reported in *The West Australian* today, apparently covered facilities only in the metropolitan area.

Has the Department for Youth, Sport and Recreation any plans to produce information on the accessibility of facilities for disabled people living outside the metropolitan area?

The Hon. R. G. PIKE replied:

I thank the member for some notice of the question, the answer to which is as follows—

The Department for Youth, Sport and Recreation has completed an additional comprehensive survey of

recreational and other community facilities in the south-west, great southern and upper great southern regions of the State as well as the metropolitan area.

The survey covered such facilities as libraries, restaurants, hotels, sporting facilities, tourist attractions, public toilets, churches, public halls, beaches, jetties and caravan parks. Details were collected on over 1 000 facilities. The information currently is being prepared for publication.

SHOPPING

Retail Stores: Extended Trading

210. The Hon. GARRY KELLY, to the Minister for Labour and Industry:

In view of his answer to my first question, I ask—

Why did the Minister not consult with the Minister for Transport prior to his making the decision to allow extended trading hours on Saturday, 18 December?

The Hon. G. E. MASTERS replied:

If the Hon. Garry Kelly is suggesting public transport was not sufficient for that day, he should say so. However, the fact is that I made a decision in the full knowledge the Minister for Transport would be able to cope with the increased patronage resulting from the extra trading hours, as he does on other occasions, such as Tuesday and Thursday nights. I had no doubt that he would cope. I understand that as far as was reasonable in the circumstances, he did just that.

SHOPPING

Retail Stores: Extended Trading

211. The Hon. J. M. BROWN, to the Minister for Labour and Industry:

When the Minister made the decision to extend trading hours on Saturday, 18 December, did he give consideration to the effect of his decision on country people, particularly those in business, as a result of country people taking advantage of the extended hours by travelling to Perth to do their Christmas shopping, rather than shopping locally?

The Hon. G. E. MASTERS replied:

It was a one-off decision, a special consideration for Christmas.

The Hon. P. H. Lockyer: Which was greatly appreciated by the public.

The Hon. G. E. MASTERS: We did not know what would be the results of the experiment until after the extended trading hours had been put into effect. What the Hon. J. M. Brown suggests is correct: Many shopping centres in country towns did not do as well as I would have expected and in fact, suffered for the reasons he mentioned, in that many people came to the city to shop instead of shopping in their respective localities. However, the Government has made it clear it was nothing more than an experiment. It is not considered necessary or appropriate to introduce Saturday afternoon shopping on a permanent basis. It was only one extra half day's shopping. I accept that some country towns suffered. I know that in Kalamunda, where I live, some retailers had a couple of words with me about the matter.

The Hon. Peter Dowding: Some country town!

COURT AND GOVERNMENT OFFICES

Bunbury

212. The Hon. V. J. FERRY, to the Attorney General:

(1) When is it anticipated—

- (a) work will start,
- (b) work will finish

on the new Bunbury courthouse and State Government offices?

(2) What is the total cost of the project?

The Hon. I. G. MEDCALF replied:

- (1) (a) The calling of tenders for the work will be advertised in the last week of March 1983 and it is estimated that work will start on site during the last week of May 1983;
- (b) it is estimated that work will be completed in July 1984.
- (2) \$6.096 million.

MINING

State Batteries

213. The Hon. PETER DOWDING, to the Leader of the House representing the Minister for Mines:

- (1) Has the review of the State Batteries been completed?
- (2) Will the Minister make available the report; if not, why not?
- (3) What changes, if any, have or will be made to the system?

The Hon. I. G. MEDCALF replied:

I am indebted to the Hon. Peter Dowding for notice of his question, the answer to which is as follows—

- (1) Yes.
- (2) I am advised that the Minister for Mines has already indicated that if the member wishes to have a copy of the report referred to, it will be made available to him.
- (3) The Minister advises that consideration will be given to closing down the Northampton gravity mill because of lack of demand. Testing of new methods of crushing and cyaniding is proceeding. The feasibility of installing carbon-in-pulp plants at additional batteries is being investigated. Consideration is being given to some reduction in the 3.6 grams/tonne tailings purchase grade. The costing system for State Batteries is being reviewed.

ELECTORAL

Legislative Council: Election of Members

214. The Hon. GARRY KELLY, to the Chief Secretary:

As the Minister concerned with electoral matters, can he inform the House when he proposes to take action on the motion passed unanimously by the Legislative Assembly on 18 November this year calling for a referendum to be held into the method of the election of members to the Legislative Council in conjunction with the 1983 State election?

The Hon. Peter Dowding: Hear, hear! A good question.

The Hon. R. G. PIKE replied:

The Premier of this State has issued a comprehensive Press release on that sub-

ject, and I do not intend to add further to the comment made at that time.

CRIMINAL INJURIES (COMPENSATION) AMENDMENT BILL

Promulgation

215. The Hon. P. H. WELLS, to the Attorney General:

When will the new Criminal Injuries (Compensation) Act commence to operate so that higher benefits can be received by the victims of crime?

The Hon. I. G. MEDCALF replied:

His Excellency the Governor in Executive Council has approved of the Act coming into operation on and from 1 January 1983.

The maximum amount of compensation under the new Act will be \$15 000.

COURT

Bunbury

216. The Hon. V. J. FERRY, to the Attorney General:

Further to my question to the Attorney General in regard to the new Bunbury courthouse I draw his attention to the position in 1971 when the Tonkin Government withdrew support for the project in favour of building a new courthouse in Kalgoorlie.

Can the Attorney General give the House any reason this action was taken at that time to deprive Bunbury of its proposed new courthouse?

The Hon. I. G. MEDCALF replied:

This goes back to a time before I was Attorney General—indeed, before I was concerned in the Ministry. I have been informed by a number of people that about 1970, Sir David Brand made a commitment to build a courthouse in Bunbury.

A lot of feeling has been expressed in Bunbury; and each time I have been there, comments have been made that the Bunbury courthouse was erected in Kalgoorlie.

The Hon. G. C. MacKinnon: Quite right, yes. That is what happened.

The Hon. I. G. MEDCALF: I have been told that on many occasions.

The Hon. J. M. Brown: Long overdue, of course.

The Hon. I. G. MEDCALF: I have been told stories about a Bunbury justice who went to Kalgoorlie and, when he was asked if he would like to see the Kalgoorlie courthouse, said, "No. I'd like to see the Bunbury courthouse."

I do not know exactly what happened, but I gather that the Bunbury courthouse was not then built in Bunbury as promised; and a new courthouse was erected in Kalgoorlie immediately afterwards.

ELECTORAL

Legislative Council: Election of Members

217. The Hon. GARRY KELLY, to the Chief Secretary:

(1) In view of the answer he gave to my last question, will he acquaint the House with the reason that the Government does not propose to pursue the matter contained in the resolution of the Legislative Assembly regarding a referendum?

(2) If not, why not?

The Hon. P. H. Lockyer: Because they made a blunder in the other House.

The PRESIDENT: Order!

The Hon. R. G. PIKE replied:

(1) and (2) I have answered that question already. I repeat that a motion was carried in the Legislative Assembly but it was not dealt with in this House. The leader in that place has made a statement, which has been circulated and publicised freely. I do not intend to go any further.

The Hon. Peter Dowding: Government by telex, is it? They are even gutless in this place!

RECREATION

Elderly People

218. The Hon. J. M. BROWN, to the Minister for Recreation:

Following the question asked by the Hon. Win Piesse concerning recreational facilities for the aged, in answer to which he explained that some 20 courses had been established, can he tell me what courses were established in the

eastern goldfields, and whether they extend to the Yilgarn?

The Hon. R. G. PIKE replied:

Obviously I did not have notice of this question; but as far as the information is available, I undertake to obtain it and write to the member as soon as possible.

JUSTICES OF THE PEACE

Seminar

219. The Hon. I. G. PRATT, to the Attorney General:

- (1) Has a request been received for the holding of a seminar for justices in the Rockingham district?
- (2) Will the request be given urgent consideration by the Government to ensure that justices from Rockingham, Mandurah, Armadale, and other parts of the district, are included in next year's programme of seminars?

The Hon. I. G. MEDCALF replied:

- (1) Yes.
- (2) I am pleased to announce that the request has been agreed to by the Government, and a seminar will be held in 1983.

LOTTERIES COMMISSION

Instant Lottery

220. The Hon. P. G. PENDAL, to the Chief Secretary:

I refer him to the advertisement on page 55 of *The West Australian* yesterday regarding the disbursement of the funds obtained in the sports-culture instant lottery—

The Hon. Tom Stephens: The one with the photograph?

The Hon. P. G. PENDAL: Yes. I draw his attention to the reference to money to be disbursed for, among other things, the restoration and preservation of historic buildings. I ask—

- (1) Is that related in any way to the advocacy I made in a recent speech on the matter whereby I suggested that some of the proceeds from the instant lottery ought to be directed to that area?

- (2) Is he prepared to consult with the National Trust in an effort to compile a priority listing of buildings, thereby drawing on the very extensive knowledge amassed by the National Trust in this field over many years?

The Hon. R. G. PIKE replied:

- (1) Yes, in the first instance, it was as a consequence of the member's bringing my attention to the matter in a debate in this House that a determination was made that the funds for culture could be thus applied, leading to the advertisement. Added to that is the fact that, prior to becoming a member of Parliament, I visited the historic establishments with my family, and I believe this move is highly warranted.

Yes, the initiative was as a consequence of the honourable member's raising the matter.

- (2) This is in train already, through the Heritage Committee of Western Australia.

LOTTERIES COMMISSION

Instant Lottery

221. The Hon. R. T. LEESON, to the Chief Secretary:

As the Government has taken the kudos in relation to the success of the instant lottery, will he indicate to the House what adverse effect it is having on other State-run lotteries at present?

The Hon. R. G. PIKE replied:

This is not a question I can answer in detail off the top of my head. However, I can answer the question to the degree that I understand we have had a slight reduction in the turnover of the Totalisator Agency Board, and a slight reduction in the turnover of the ordinary lotteries, which have slowed down. This is what happened in the Eastern States initially, but in fact it levelled out.

I cannot answer the question in detail, because I do not have the information. I will obtain the information and write to the member with it.

LOTTERIES COMMISSION

Instant Lottery

222. The Hon. ROBERT HETHERINGTON, to the Chief Secretary:

- (1) Has it been drawn to his attention that school children are purchasing instant lottery tickets?
- (2) If not, will he inquire into this matter with a view to bringing it to an end?

The Hon. R. G. PIKE replied:

- (1) and (2) I am advised by the Lotteries Commission that experience in other States of Australia where instant lotteries have been introduced did not reveal a continuing problem in this area. Nevertheless, there has always been a problem during the initial sales period. I have requested the Chairman of the Lotteries Commission to monitor this aspect, and I am also looking at the situation myself. Appropriate action will be taken if necessary to prevent sales to minors.

There have been reports also that sports-culture instant lottery tickets are being sold in the street. This is illegal; and the commission has reminded all its agents that they are licensed to sell tickets only at their place of business. Any instances of sales other than on the business premises of lottery agents should be reported to the Lotteries Commission.

LOTTERIES COMMISSION

Instant Lottery

223. The Hon. I. G. PRATT, to the Chief Secretary:

Following the questions we have had about the instant lottery, would he indicate the degree of success the instant lottery has had?

The Hon. R. G. PIKE replied:

When the Bill to amend the Lotteries (Control) Act was introduced in the spring session, the Lotteries Commission indicated an expectation of sales of \$12.5 million in the first year. This would have resulted in \$2.5 million being available for distribution equally between sporting and cultural organisations.

The lottery commenced in the first week of December and sales to date approximate \$4.1 million. This means that over \$1 million or 20 per cent of gross sales

could be available for payment into the sports-culture instant lottery account at the Treasury Department by the end of December 1982.

The Lotteries Commission has now issued its twelfth lot of 500 000 tickets to agents. It is confidently expected that the estimated figure for distribution in the first year will be exceeded, providing a much needed financial boost to sporting and cultural bodies in this State.

Due to the fine organisation of the Lotteries Commission, the sports-culture instant lottery has undergone a smooth introduction with very few problems.

TOTALISATOR AGENCY BOARD

Advertising

224. The Hon. GARRY KELLY, to the Chief Secretary:

- (1) Why is the Totalisator Agency Board now advertising on television—I presume in an endeavour to gain extra revenue? Is it a response to the fall in turnover as a result of the instant lottery?
- (2) Has the TAB had to resort to television advertising before to increase its business?

The Hon. R. G. PIKE replied:

- (1) and (2) The TAB is a totally independent statutory authority, and the Minister has control over the appointment of the chairman only. The members are nominated by the various racing clubs. The Minister has no control over the way the TAB produces its money. The question of advertising by the TAB has been drawn to my attention as late as yesterday, and I am conducting an investigation in that regard. From memory, and without guaranteeing the veracity of my statement, it is my understanding that the TAB has in fact been advertising generally for a considerable period of time.

HOUSING

Home Buyers' Assistance Fund

225. The Hon. TOM KNIGHT to the Chief Secretary:

What has been the effect of the amendment to the Real Estate and Business

Agents Act in 1982 to provide for a home buyers' assistance fund?

The Hon. R. G. PIKE replied:

To the end of 1982 over 325 home buyers had been assisted from the fund in varying amounts totalling \$204 000. This means that the average assistance grant is \$629.

The amendment to the Act provides for low-income first home buyers to be granted financial assistance up to \$1 000 each to offset stamp duty, mortgage registration, and other costs associated with home loans. Money is made available from interest earned on trust moneys deposited by real estate agents with the Real Estate and Business Agents Supervisory Board.

Eligibility for assistance is assessed on a sliding scale dependent on income. The home buyers' assistance fund is providing additional money not previously available to first home buyers.

COURTS

Bail Hostel

226. The Hon. P. H. WELLS, to the Attorney General:

- (1) What is the status of the proposed bail hostel?
- (2) Has the Government made any move to ensure that the institution is available to the community early in 1983?

The Hon. I. G. MEDCALF replied:

- (1) and (2) I am pleased to be able to say that the bail hostel has made significant progress. The funds referred to in the Budget have been made available; and work on the bail hostel at North Fremantle has commenced.

I understand that the balance of the funds asked for is being advanced as part of the Government's programme to increase employment. We should have the bail hostel fully completed during the current financial year. In other words, I hope sincerely—and I believe—that the bail hostel will be completed and the funds expended as soon as possible. It should be ready for occupation, certainly next year, and I hope before the middle of the year.

COMMUNITY WELFARE

Domestic Violence

227. The Hon. P. H. WELLS, to the Attorney General:

Has any progress been made with the Department for Community Welfare and other authorities in implementing the Government's domestic violence legislation?

The Hon. I. G. MEDCALF replied:

The Government is well aware—and I have made comments to the effect—that the domestic violence legislation cannot be implemented until the Police Department and the Department for Community Welfare have assimilated the legislation properly, and have the facilities to cope with it. It involves a new attitude on the part of the police in that they will be required to make complaints and do things that they have never done before in relation to domestic violence, in intervening in some situations.

As far as the Department for Community Welfare is concerned, it is involved in a far deeper way than ever before. Instead of being a little distant and simply tendering advice, officers of the department have to go in and assist the parties to sort out their troubles in this area. The Government is well aware of this; I have made it clear right from the outset.

I am not responsible for either the Police Department or the Department for Community Welfare. However, I have made representations to the Minister for Police, and I know that he is having discussions with the commissioner and his officers about the extent of their co-operation and their assimilation of the requirements of the new legislation.

As far as the Department for Community Welfare is concerned, I have had discussions with the Minister already. Of course, the department has recently set up the new crisis care centre, with its mobile units. That will be available to us in implementing this legislation.

COURTS

Jury Trials

228. The Hon. D. J. WORDSWORTH, to the Attorney General:

- (1) Has consideration been given to holding jury trials in Esperance?

- (2) If not, what is the reason for not being able to hold jury trials in Esperance?

The Hon. I. G. MEDCALF replied:

- (1) and (2) Yes, consideration has been given to this matter as it is believed that it would be advantageous if District Court trials were held in Esperance and thus avoid the necessity of the people involved having to travel to Kalgoorlie.

The Public Works Department has been requested to examine what alterations would be required to the courthouse so that jury trials could be held there. Preliminary indications are that the alterations required will be minimal.

I might add that the situation in relation to jury trials in Esperance and Kalgoorlie is somewhat similar to the situation we have had in other parts of the State, and I could mention the situation which obtained between Port Hedland and Karratha. All the trials have been held in Kalgoorlie, and this has meant that all the people involved in Esperance, including the police and witnesses, have had to travel to Kalgoorlie. Many complaints have been made about this over quite a period and it is particularly onerous for the people of Kalgoorlie because they have to supply

all the juries for these trials. It is clearly better if we can make use of the people in Esperance for local trials.

When I was in Esperance a few months ago I made a point of examining the courthouse to see whether District Court trials could be held there for indictable offences. It seemed to me there was no reason we could not do so. However, I was disappointed to find no facilities were available for the jury, although in other respects it is an excellent courthouse. From memory it even has a jury box but there is no room to which the juries can retire.

I have asked the under secretary to request the Public Works Department to do something about this. I cannot promise that the changes will be made although I firmly believe we should be able to provide some accommodation in the building. The courthouse has a big foyer and I see no reason in the world that we cannot fit in a jury room with the facilities that go with it. I am hopeful this can be done because it would be of great benefit to the people of both Esperance and of Kalgoorlie.
