

Legislative Assembly

Thursday, 12 August 1982

The SPEAKER (Mr Thompson) took the Chair at 10.45 a.m., and read prayers.

PUBLIC ACCOUNTS COMMITTEE

Report: Personal Explanation

MR WATT (Albany) [10.47 a.m.]: I seek leave of the House to make a personal explanation.

Leave granted.

Mr WATT: On 22 September last year the Public Accounts Committee presented a report to the House on the question of school funding, and one of the essential recommendations in that report was that the completion and implementation of an accounting manual for use in schools should be made an urgent priority. The report was critical of the accounting system used in schools.

I would like to make a brief statement because the Education Department has now produced a manual and the committee would like to compliment the Minister and the department for the quality of that manual.

The publication contains two sections, the first dealing with "Administrative Instructions — Accounting" and the second with "Manual of Accounting Procedures".

The section "Administrative Instructions — Accounting" provides formalised procedures to be followed by schools and other institutions of the Education Department; whereas the "Manual of Accounting Procedures" concentrates on the practical application of these procedures in that it illustrates how to maintain a basic set of school accounts using columnar cash books, and also provides model charts of accounts as a guide for those schools which are operating ledger systems. It was in these areas that the existing system was shown to be hopelessly deficient.

I would like your permission, Sir, to table the manual for the remainder of this sitting so that those members who wish to peruse it will have the opportunity to do so.

I reiterate that the committee is well pleased with this manual and it feels the Minister and the department should be complimented.

The manual was tabled for the information of members.

INCOME TAX: REDUCTION

Motion

Debate resumed from 11 August.

MR O'CONNOR (Mt. Lawley—Premier) [10.50 a.m.]: In speaking briefly yesterday I did not indicate that the Government opposes this motion, which reads as follows—

That this House urges the Federal Government to introduce reductions in personal income tax in the 1982-83 Federal Budget.

The motion in its present form is immature and amateurish and needs some form of amendment.

I indicated clearly that from the Government's point of view the information given by the Leader of the Opposition regarding bottom-of-the-harbour operations is certainly contrary to the views I expressed. The view I expressed was that where people have abided by the law in the past, their situation is extremely difficult. I do not like retrospective legislation; however, if there are loopholes in the law they ought to be plugged. I made the point that if retrospective legislation was introduced in this way it could affect many innocent people and cost them their jobs. I believe that is the position.

With reference to the motion before us, while we all desire that personal income tax be reduced, it would be of little benefit to anyone in the community if there were adverse effects in any way. If, for instance, as a result of our passing this motion, action were taken to increase taxes in other fields—whether it be sales tax or some other tax—or inflation was increased to any great degree, we would defeat our purpose. The motion, in its present form, is inadequate.

While personal income tax is one of the things that does affect the community generally, many other things are involved. There is no point in a reduction in personal income tax if other areas in the community will be affected comparatively. I believe we need stability overall—not in any particular section and not in one particular place.

If we wish to indicate to the Commonwealth that we believe certain things should happen—by the way, there have been strong indications recently that the Commonwealth Government is likely to reduce personal income tax—putting forward a motion of this nature is not an adequate way of doing that.

Amendment to Motion

Mr O'CONNOR: I move an amendment—

Add the following words after the word "Budget"—

provided such reductions do not result in—

- (1) increases in other less desirable forms of taxation, or
- (2) increased inflation which so much disadvantages wage and salary earners.

MR BRIAN BURKE (Balcatta—Leader of the Opposition) [10.54 a.m.]: The mover and the seconder of the original motion are happy to incorporate the additional words into the motion as moved. Had the Premier suggested to us that this was his wish we would have accommodated him by simply adding the words.

It is a pretty weak old Government really which seems to think it has to establish its own dignity by adding to the motion some nonsensical words which do not add in any way to the spirit of the motion. The amendment simply emphasises and reinforces the Opposition's motion.

Mr O'Connor: Not at all.

Mr BRIAN BURKE: Of course, all the amendment does is to say that we want cuts in personal income tax and we do not want increases in other taxes.

The Opposition's motion does not say that we want cuts in income tax and increases in other taxes. We are pleased the Government is going along with us on this motion. We see some contradiction in the stand taken yesterday by the member for Bunbury and the member for Mundaring who attempted to pillory us for opposing increases in sales tax. Everyone here heard those members accuse the Opposition of opposing increases in sales tax, and yet today the Premier is amending the motion to say that he also opposes increases in sales tax.

I am not sure where this Government gets its cohesion, because in the space of two days the member for Mundaring has contradicted two points made by the Premier.

Mr Herzfeld: When did I talk about that?

Mr BRIAN BURKE: The first occasion was yesterday when the member for Mundaring accused the Opposition of not supporting the Federal Government's moves against tax avoidance. Then the Premier said he did not support the moves to introduce retrospective legislation. The implication is that, while we support all the moves, including retrospectivity, the member for Mundaring is attacking his Premier.

Mr Herzfeld: You are so smart!

Mr BRIAN BURKE: Yesterday, the member for Mundaring, aided and abetted by the

intellectual giant from Bunbury, said the Opposition opposed sales tax.

Mr O'Connor: Don't get personal.

Mr BRIAN BURKE: We said we opposed the increase in sales tax and now the Premier is doing what we said yesterday we were intent on doing—opposing increases in sales tax.

Mr Herzfeld: That is utterly dishonest.

Mr BRIAN BURKE: Let us get some sense and order into this shambling Government. What is going on? Has the Premier the support of his back-benchers? Does the Premier want the support of his back-benchers?

Mr O'Connor: He has their support.

Mr Young: He was elected unopposed.

Mr Bryce: That says a lot for the rest of you.

Mr BRIAN BURKE: The Premier was elected unopposed, and I was not. But the pretenders to the deputy leadership of the Government were opposed fairly thoroughly.

Mr Young: And they were defeated. That is fair enough.

Mr BRIAN BURKE: I would have thought that "decimated" was a better word. The truth is that yesterday the member for Mundaring said we were not supporting the Federal Government's moves against tax avoiders. We have supported those moves completely, including the retrospectivity provisions.

Mr Herzfeld interjected.

Mr BRIAN BURKE: The Premier opposed the retrospectivity provisions. Today he says he opposes increases in sales tax, as we do.

Mr O'Connor: I did not say that. Read the amendment and you will see what I said.

Mr Pearce: Read it out to remind them what is going on.

Mr BRIAN BURKE: The Premier's amendment says, "Provided such reductions do not result in increases in other less desirable forms of taxation, or increased inflation which so much disadvantages wage and salary earners". On both counts, it is impossible for the Premier to be supporting sales tax increases. Not only are such increases less desirable, but they add directly to inflation. On both counts sales tax cannot be an acceptable tax. It is regressive and adds to inflation.

The Opposition is perfectly right in saying that the position taken by the Premier contradicts that expressed yesterday by his back-bench colleagues from Bunbury and Mundaring. In any case, we are perfectly happy to accept the amendment. We think it adds to what we are doing; that is,

expressing an opinion to the Federal Government about actions it should be taking.

It is a pity that it is always the Opposition that is expressing opinions to the Federal Government about what is thought to be in the interests of the people of this State. The State Government does nothing. It sits on its hands, adjourning Parliament at the drop of a hat so that we cannot debate matters.

Mr MacKinnon: Do you disagree with what was done last night?

Mr BRIAN BURKE: It should be obvious to the Minister that we supported the measure proposed yesterday by the Premier.

Mr MacKinnon: What are you implying?

Mr BRIAN BURKE: We do not agree necessarily with the basis on which the Premier made the move, because we do not have knowledge of the details which he has. The Premier has a proclivity to adjourn Parliament at the drop of a hat. We do not mind private members' business being the sole item to occupy us for the rest of the session. We have lots of private members' business to bring forward because this Government does not appear to be intent on protecting the interests of Western Australians in any way.

Mr Bryce: Who is governing this State?

Mr BRIAN BURKE: Who knows? There is considerable doubt and uncertainty as to who is running the State.

Mr O'Connor: What a stupid statement.

Mr Herzfeld: The Leader of the Opposition is wasting the time of Parliament.

Mr Old: You are certainly not running the State.

Mr BRIAN BURKE: The Minister for Primary Industry is correct; we are not running the State.

Mr O'Connor: You are running for cover.

Mr BRIAN BURKE: Is it not strange that the Premier constantly turns to the Speaker and says, "Mr Speaker, if I can finish my remarks; protect me from these people who are so rowdy"? Yet the Premier sits there and says we are running for cover. He is as weak as water.

Mr O'Connor: Not as weak as the motion you put forward.

Mr Nanovich: Why don't you stop being rude?

Mr Old: He would not know how to do that.

Mr O'Connor: The Leader of the Opposition is a very immature little boy, and he is showing it.

Mr BRIAN BURKE: The Premier should listen to some of the things he says to the member for Gosnells. The Opposition has desisted from attempting to engage the Premier at the level he finds most comfortable. It ill-behoves the Premier to complain to the Chair and seek its protection when he wants to engage in the same sort of behaviour.

The amendment moved by the Premier is perfectly acceptable to us. It is about time this Parliament expressed its opinion about tax cuts, and we are pleased to have been the vehicle and the promoters of the expression of that opinion. We will continue to take the lead in this place on questions such as tax cuts, tax avoidance, unemployment, interest rates, cutting taxes and charges, and efficiency in government. I am sure the Government, which is thoroughly engaged in sitting on its hands, has neither the time nor the inclination.

Mr Shalders: You are trying to take over from Ronnie Barker as a comedian.

Mr BRIAN BURKE: I am pleased that the Premier has given me the opportunity to touch on this matter; that is, the way in which the Liberal Party in this State is intent on protecting tax cheats who are robbing pensioners, who are making it impossible for families to maintain their standards of living, and who are undermining Australian society in the most concerted and comprehensive way it has ever been undermined in my experience. Yesterday we saw the Premier wriggling on the hook of his previous statements. We know he said he did not support retrospective legislation and he said he did not support it because it might affect companies who employ people; and yet, he was talking about bottom-of-the-harbour schemes that involved the sale of companies and the stripping of their assets. That is how much he knows about it, and that is how familiar he is with the example of bottom-of-the-harbour schemes.

Mr O'Connor: I am quite familiar with it.

Mr Pearce: He ought to be quite familiar with it—the chairman of the Liberal Party finance committee has been involved in it.

Mr BRIAN BURKE: In any case, I suppose he would say to wage and salary earners who did not pay their taxes for the last few years, "We will not collect the tax from you because it might prejudice you in your present occupation." If we wanted any further proof of the Liberal Party's stand in this State on tax avoidance, we need only look at the report in this morning's Press where, by a vote of 90 to 10, the position put by Senator Fred Chaney was overturned and the Liberal

Party said, "We stand four square behind the proposition that we should not introduce retrospective legislation to catch these tax cheats."

Mr Herzfeld: Where is the source for that information?

Mr Young: Can I just ask you one question: What would you do if one of your members was found to have made, say, \$1 million in the last three years and had not paid, say, \$600 000 tax on it? What would be your present position in respect of that?

Mr BRIAN BURKE: One of my members?

Mr Young: If one of your members had been found to have made \$1 million or something like that and had not paid tax on it, what would your stance be?

Mr BRIAN BURKE: My attitude to that would be the same as my attitude to one of my members who was a sharp tax accountant and who had avoided tax. As far as I am concerned, sharp tax accountants should be prevented—

Mr Young: I hope *Hansard* notes that you are not prepared to say what you would do.

Mr BRIAN BURKE: —from giving advice on schemes of doubtful morality. If any of the Opposition members are involved in bottom-of-the-harbour schemes—

Mr Young: No, I said if he had not paid any tax on it.

Mr BRIAN BURKE: —they should pay the tax that has been avoided. If they are engaged in any practice that evades tax and which is the subject of retrospective legislation introduced into the Federal Parliament—

Mr Young: That's good!

Mr BRIAN BURKE: —they should pay the tax avoided.

Mr Young: Any more conditions?

Mr BRIAN BURKE: That is the point.

Mr Young: Have you any more conditions?

Mr BRIAN BURKE: The Minister does not understand.

Mr Young: I said that if someone had made \$1 million and had not paid the \$600 000 or \$700 000 in tax that should be paid on it, what would your attitude be?

Mr BRIAN BURKE: If evading that tax involved a scheme such as the one referred to, I would stand for the introduction of legislation to force the person concerned to pay the tax.

Mr Young: That is good. It took a long time, but thanks.

Mr BRIAN BURKE: If that is acceptable to the Minister for Health, let him support the retrospectivity of the Federal Government's stand.

Mr Young: He is running for cover on that.

Mr Pearce: What are you going to do about the bottom-of-the-harbour schemes?

Mr BRIAN BURKE: I am happy to answer the Minister for Health, but will he support me? Does he support retrospectivity of the Federal Government's plan?

Mr Young: Well, do you want me to support it?

Mr BRIAN BURKE: Will the Minister stand up now and say that he supports the retrospectivity?

Mr Young: Generally speaking, I am totally opposed to retrospectivity.

Mr Davies: Your Government has brought in retrospective legislation in this House.

Mr Young: But with respect to the bottom-of-the-harbour deals, which, in my personal opinion, involve processes other than normally following the law, I would be inclined to support retrospectivity if I were in the Federal House and had to vote on it.

Mr BRIAN BURKE: Perhaps we could prevail upon the Minister for Health to have a word with the Premier because his opinion is different from that of the Premier.

Mr Young: The Premier is not in the Federal Parliament and does not have a vote on it. We are entitled to express our opinion publicly.

Mr BRIAN BURKE: Of course that is so, but we are saying that the weight of any public opinion expressed depends upon the position of the person expressing it. It seems to me that the Minister for Health, as a Minister of the Crown, is contradicting the attitude held by his Premier. In respect of persuading the people who do have a vote in the Federal House, it would be helpful for the Minister to express his attitude rather than have it wheedled out of him by the Opposition.

Mr Young: You are talking about a meeting where everybody can express his opinion.

Mr BRIAN BURKE: No, I am talking about public opinion expressed outside any Liberal Party forum. The Minister for Health said that he supports retrospective legislation in respect of bottom-of-the-harbour schemes. The Premier says he does not, and we have the members of the Government back bench saying that they are not supporting the Premier although they are supporting retrospective legislation for bottom-of-the-harbour schemes. It is time this Government got its act into order. Where does it stand in

respect of these matters? If the Premier does not support retrospectivity, can we expect that he will co-operate with the Federal Government in its claims to introduce retrospective legislation? Of course we cannot, and yet we have a Minister saying that he supports retrospectivity. What is going on! If we in the Opposition were expressing contradictory opinions like that, we would be pilloried.

Mr Young: You do it all the time!

Mr BRIAN BURKE: Of course we have done it in the past, and of course the Premier said, "What is going on? You have five different policies in regard to nuclear ships visiting Australia." What is the Government's stand on this? What is the attitude of other people? Does the member for Greenough support retrospectivity? I do not think the member even knows what the word means.

Several members interjected.

Mr BRIAN BURKE: Is the Minister saying all the members of the Government support retrospectivity?

Mr Young: At the Liberal Party conference the executives took exactly the same line as well.

Mr BRIAN BURKE: Of course not all our members support retrospectivity.

Mr Young: Including your spokesman!

Mr BRIAN BURKE: I do not know whether the Minister for Health is serious. What I am saying is that the Premier expressed a point of view on behalf of the Government.

Mr Young: On a Federal matter!

Mr BRIAN BURKE: The Premier expressed a point of view, and that is completely different from someone speaking at a party forum which is deliberating in respect of a policy.

Mr Young: Come on—where are the fairies at the bottom of the garden!

Mr BRIAN BURKE: We have now heard a contradictory opinion, and this is alarming. It is an indication of the increasing shambling nature of this Government that the Premier is contradicted by the Minister for Health on the same day.

Mr Young: That is a nice try!

Mr BRIAN BURKE: Well, it is the truth.

Mr Young: No.

Several members interjected.

Mr BRIAN BURKE: In due course we will give all the members an opportunity to express their opinion on retrospectivity—

Mr O'Connor: I hope not in regard to this amendment!

Mr BRIAN BURKE: —in regard to bottom-of-the-harbour schemes. We will give everyone a chance to talk to the amendment.

Mr Young: This is an interesting speech on this amendment.

Mr BRIAN BURKE: We will put this matter to the House clearly so that the Minister can oppose his Premier in a vote, if that is what he is intent on doing, and so he can express his support for retrospective legislation in regard to the bottom-of-the-harbour schemes. Let me say clearly, the State Council of the Liberal Party has lined itself up 90 to 10. The Premier is opposing retrospectivity, and in the view of the Opposition that amounts to his protecting people who even the Minister for Health admits are involved in practices which are murky and shady and practices which set them aside, in so far as the tax they pay is concerned, from people who have been involved in other schemes.

We support the amendment, and we thank the Premier for the way in which he saw fit to compound upon and to add to our motion. I thank the Minister for Health for his support on retrospectivity.

MR HERZFELD (Mundaring) [11.14 a.m.]: I do not want to delay the House unnecessarily—

Mr Grill: But you will.

Mr HERZFELD: —in regard to this amendment, but I believe it warrants some comment. The first remark I want to make is that it is quite apparent, to members in this House anyway, that we have an Opposition in this State that is quite bereft of any ideas or initiatives to bring forward to this House to discuss on behalf of the people of Western Australia.

It is a sad state of affairs when the time of this House has to be wasted in discussing matters over which it has absolutely no control. It is a total waste of time for this House to debate a motion about Federal taxation less than one week before the Federal Government is due to bring down a Budget for the current year. What does the Opposition hope to achieve by discussing this matter so close to the bringing down of a Budget?

Mr Wilson: The Premier is supporting us.

Mr HERZFELD: What influence does the Opposition think this Parliament can have over the Budget, at this stage?

Mr Wilson: Are you at odds with the Premier?

Mr HERZFELD: Obviously not.

Mr Brian Burke: Well, why are you opposing the amendment?

Mr HERZFELD: The motion is simply political grandstanding which wastes the time of the House.

Mr Wilson: The Premier is joining us in it.

Mr HERZFELD: The Opposition is rapidly becoming known for being simply a hot-air Opposition—all talk, all lip, and nothing to say.

Mr Wilson: You talk a lot.

Mr HERZFELD: The people of the State are the worse for it.

Let us have a look at the nature of the debate so far. In promoting the motion in the House yesterday, the Leader of the Opposition spent most of his time talking about tax avoidance, as if he was the first one ever to have thought about it. He criticised me because I happened to say that the Federal Government had done more than any other Government in the history of this Commonwealth to deal with the problem.

That should have been acknowledged by the Leader of the Opposition as a creditable matter; but instead of that he used it, in some obtuse way, to denigrate the Government. No-one on this side of the House is interested in supporting tax cheats. The Leader of the Opposition tried to make a "federal case" out of a story in this morning's paper about what is alleged to have happened at the meeting of the State Council of the Liberal Party—

Mr Bryce: Don't you let the Press into your council?

Mr HERZFELD —with no reference to the source of the information.

Mr Bryce: Are they not open, public gatherings?

Mr HERZFELD: I do not know whether they are or not.

Mr Bryce: Don't you go, either?

Mr HERZFELD: I suspect that the Press is not admitted. That is what makes me suspicious about the article in the newspaper.

Let us look at the question of retrospectivity in regard to bottom-of-the-harbour schemes. The Leader of the Opposition chose deliberately to misrepresent what the Premier had said; and then he tried to twist—

Mr Brian Burke: Rubbish!

Mr HERZFELD: —the Premier's words into some sort of case for claiming there were differing opinions on this side of the House on the question.

Mr Pearce: There clearly was not. The Premier sat quite quietly during the whole thing.

Mr HERZFELD: It is a fact that members on this side of the House operate somewhat differently from the way ALP members on the other side of the House operate. On this side of the House, members are allowed to have their own opinions on matters. If they feel strongly enough about anything, they may say so publicly. What happens on the other side of the House if a member thinks differently? He is frog-marched out of the party. That is the sort of democracy that exists in the Australian Labor Party.

Opposition members interjected.

Mr HERZFELD: Members on this side of the House should not be criticised for holding differing views.

Let me make clear what the Premier was saying to this House on the question of the retrospectivity of the legislation—

Mr Pearce: It is incredible that the Premier has to have a back-bencher to put his viewpoint.

Mr Wilson: Are you his interpreter?

Mr HERZFELD: How many times have I heard members on the other side defending their leader? I am quite happy to defend my leader, because I have confidence in him and it is my job to explain what he has been saying, if members of the Opposition are so thick they are not able to understand.

Mr Wilson: I think he would prefer that you had not stood up.

Mr I. F. Taylor: You had better sit down quick smart.

Mr HERZFELD: Let me come to the question of bottom-of-the-harbour schemes—

Mr Pearce: This is the case of the ventriloquist's doll running the ventriloquist.

The ACTING SPEAKER (Mr Watt): Order! May I remind the member for Mundaring that the matter under debate at the moment is the amendment moved by the Premier to add certain words to the motion. I suggest that members wishing to participate in the debate on the amendment should confine their remarks to those words. If that amendment is accepted and forms part of the motion, it would be competent then for members to debate the amended motion.

Opposition members: Hear, hear!

Mr HERZFELD: That is exactly what I intend to do. It is in relation to the words intended to be added to the motion to which I direct my remarks with respect to retrospectivity of the legislation to cover bottom-of-the-harbour schemes.

I say simply that the objectionable nature of the retrospectivity is one single fact that legally, it will be possible to make innocent people pay for someone else's tax evasion. That is what I find objectionable in the proposed legislation; and I believe that is exactly what the Premier was saying to the House. If someone purchases a company innocently, or a shareholder invests in a company, that person or shareholder should not be made to pay for the misdemeanours of someone else. That is what I am saying; and that is what I believe the Premier was saying.

I return to the tenor of the motion. It epitomises a very deep malaise that we have in this State and in this nation. That malaise is the concept that one can have something for nothing; that Governments can reduce taxes and, at the same time, the people can expect the Government to produce more goods, more services, more pensions, more education, and more everything else. I take exception to the Opposition's promotion of that concept in the community. It is about time the community realised that consequences flow from the reduction of taxes and from the production of more of everything.

That is the purpose of the amendment moved by the Premier. If the Opposition and, in particular, the Leader of the Opposition, cannot see the import of that amendment to the motion, they are thicker than I thought they were.

It is totally wrong for any member of Parliament, particularly a member of the Opposition which purports to provide a credible alternative to the Government, to promote constantly the idea that the Government can continue to provide more and more while receiving less and less by way of taxes. That is the objectionable concept in the motion and it will be corrected if the amendment we are now discussing is passed.

I place no credence on the ramblings of the Leader of the Opposition who tried to discredit the Premier's motives for moving the amendment which, if passed, will substantially change the motion.

I see no purpose in debating this type of motion in this House, because frankly I do not think it achieves anything. It is likely to achieve far less for the people than discussions on matters which affect Western Australia more directly and which are within the control of this Assembly.

However, the motion was moved, so we must discuss it; but let us not allow Western Australians to run away with the idea that we on this side of the House do not support reduced taxation. Of course we support reduced taxation,

if it can be achieved without grave consequences. There is not a single person in the world, let alone in this Chamber, who would not support the concept of paying less tax. However, if taxes are reduced, members opposite should not then criticise the Government for failing to provide further assistance for those in need, for those who want greater educational opportunities, and for those who require more welfare assistance.

Mr Pearce: What happens now is that the rich pay less and the poor pay more.

Mr HERZFELD: We spend far too much time in the House listening to grizzles and groans from members opposite about the lack of assistance to various groups within the community.

Mr Wilson: Sit down then!

Mr HERZFELD: Members opposite cannot have it both ways. It is about time they were honest with the people of Western Australia and indicated how much their promises will cost and the manner in which they will fund them.

Mr Wilson: What about your promises?

Mr HERZFELD: We have been subject to the moving of this motion today; therefore, the Government has no alternative but to provide amendments of this nature. I wholeheartedly support the amendment.

Mr Wilson: You could have said all that in one sentence.

Amendment put and passed.

Motion, as Amended

MR GRILL (Yilgarn-Dundas) [11.28 a.m.]: The member for Mundaring indicated at some length and with considerable force that the motion we are debating is not really relevant to our deliberations today or to the deliberations of the House generally. Let me very quickly dispose of that argument by saying it is ridiculous to assert here that the level of Commonwealth income tax will not have some effect upon this State, its economy, and our deliberations in this House.

Mr Herzfeld: I was not arguing about that. I was arguing about what we can achieve by passing a motion like this.

Mr GRILL: That is what the member for Mundaring was saying and it indicates how ridiculous his stand is. The motion is very relevant to our deliberations today.

Mr Herzfeld: Why don't you speak the truth?

Mr GRILL: Having disposed of that matter, let us deal with the amendment moved by the Premier.

The Premier had two bob each way on this question. He put forward what is obviously a very wishy-washy amendment to the motion.

Mr O'Connor: It is a wishy-washy motion.

Mr GRILL: The Premier talked about supporting reduced income tax, but circumscribed that support by adding all sorts of wishy-washy conditions which are so vague and meaningless as to defy understanding.

Only two questions are to be decided by the debate: Firstly, does the Government support a reduction in income tax paid by wage and salary earners? Secondly, does the Government support retrospective legislation to stop tax avoidance schemes? We shall give the Government the opportunity to vote on the latter matter shortly.

Those are the two matters under discussion and the Government should not introduce wishy-washy amendments which circumscribe those issues with all sorts of conditions. Members opposite should deal with those two essential matters and later I shall move an amendment which will allow the Government to express its opinion on retrospective legislation. Even within the Government in this House, and certainly within the Liberal Party generally, a great amount of disarray exists in relation to this matter and there is an inability to arrive at some sort of decision in respect of retrospective legislation.

Mr Nanovich: Like your people on uranium!

Mr GRILL: Last year members opposite—those people on the Treasury benches—introduced retrospective legislation in relation to Afro-West Mining & Exploration Pty. Ltd. and the Ashton Mining Ltd. joint venture. At that time the Government introduced retrospective legislation to confiscate the rights under the Mining Act of a small Western Australian company. Having confiscated those rights from Afro-West, the Government then granted them to an international company.

Let us not have any hypocrisy about where this Government stands in respect of retrospective legislation. It supports retrospective legislation when that legislation will aid its friends and big multi-national companies. That is when the Government will introduce and support retrospective legislation. However, it will not support such legislation—and we shall test the Government on this shortly—when it acts against the interests of some of its big supporters and in favour of the interests of pensioners and ordinary wage and salary earners, including those who earn their incomes by using their hands.

Not very long ago Sir Rod Carnegie said that Australia would shortly become the poor relation, economically, of Malaysia. Figures for the period 1959-1978 published recently in *The West Australian* indicate that, in relative terms, Australia has fallen from fourth position in the world in terms of its standard of living to 17th position. Economists generally consider that since 1978 Australia has fallen further and further behind, to such an extent that the Japanese, once considered to have a standard of living far behind ours, now have a similar standard of living and, in many industries, wages paid to Japanese workers are comparable with those paid to their Australian counterparts.

A whole host of South-East Asian countries, including the Philippines, Malaysia, Hong Kong, Taiwan, and South Korea, are now catching up and passing Australia in respect of their standards of living. What do we find in those countries that we do not find in Australia?

Mr Coyne: No strikes.

Mr GRILL: What approach do they take to further their economies which we do not take? Quite a number of matters can be considered and first among them is a healthy attitude towards growth of the economy.

Mr Coyne: Work.

Mr GRILL: We will get onto that later; it is something the member does not know much about.

Mr Coyne: It is something you know nothing about.

Mr GRILL: Let us consider some of the other salient factors which distinguish the burgeoning economies of South-East Asia from our economy. One of these salient features is growth. Over the last few years those countries have averaged a growth rate of approximately 10 per cent; some have had a higher percentage and others lower. Even this year growth rates in those South-East Asian countries which I mentioned have averaged seven per cent.

Let us contrast that with the growth rate in Australia at the present time, which is something less than one per cent and with little prospect of increasing next year or the year after. Those countries have a healthy attitude towards economic growth. In many respects that growth has been handed on. In the case of Singapore it has been handed on to the workers; during the last three years, wage rates have risen by an average of 20 per cent with the encouragement of the Government.

The question must be asked: Why is the economy of these South-East Asian countries going ahead in leaps and bounds while Australia's economy is languishing? Already I have mentioned the salient factor of growth, but other factors are relevant and among the most salient is the attitude towards taxation.

Personal income tax in South-East Asian countries is much lower than that which pertains in Australia as a whole. Those countries have learnt the lessons of high marginal rising taxation. They realise that the high marginal rising rate of taxation means the erosion of real disposable income. It means also reductions in living standards. Economically it means constraints upon consumer demand. It means a brake on economic growth. It means a disincentive to work, a disincentive to invest, and a disincentive to take risks. Above all else, it means an incentive to avoid tax. In the near future this Government will be given a chance to vote on the subject of tax avoidance.

What are the real differences between the South-East Asian countries and Australia? One is that in personal income tax they pay a much lower rate of marginal tax than we do. Secondly, they have an attitude towards growth in the economy which makes Australia look very sick indeed.

Mr Coyne: And they have a national spirit, which we don't.

Mr GRILL: True; and that is something the succession of conservative Governments in this country have not fostered. They have fostered confrontation instead of co-operation, and as long as conservatives continue to foster confrontation this country will go backwards.

Mr Coyne: The unions confront the rest of the community; that is the trouble. They are too powerful.

Mr GRILL: The third important point is that in these South-East Asian countries there has been a very direct influence and involvement by Government in the economy. These Governments have spent larger and larger sums of public money on infrastructure to further their economies as a whole.

Mrs Craig: How much do they spend on social security?

Mr GRILL: Their social security payments are increasing year by year. Is the Minister against reasonable levels of expenditure on social security?

Mrs Craig: When we ask you to comment on relevant matters you become defensive.

Mr GRILL: Year by year the amount they are spending on social service is increasing. Again I ask the Minister if she is against the payment of reasonable levels of social security?

Mrs Craig: You asked me that before and I said, "No". If you want to make out a proper case you should do so and not skip over the bits that don't suit you.

Several members interjected.

Mr GRILL: In this country we talk about making room for private enterprise.

Mr MacKinnon: By taking it over.

Mr GRILL: However, at present we are seeing private enterprise being squeezed out.

Mr MacKinnon: You are the only people who belong to a socialist party and who are not proud to say it. You are ashamed of the party you belong to. Stand up and tell us you are socialists, like you are.

Mr GRILL: I am a socialist, I belong to a socialist party, and I make no bones about that.

Mr MacKinnon: You are the first to have said it.

Mr Young: We could not get anyone else to say it.

Mr Pearce: Tell us you are a capitalist.

Mr Young: I do not have enough money to be one.

The ACTING SPEAKER (Mr Trethowan): Order! I do not wish to inhibit the debate in any way, but I feel the cross-Chamber conversation is gaining too much momentum and is inhibiting the member for Yilgarn-Dundas in making his speech. I ask the member to address the Chair, and other members to respect the member on his feet.

Mr GRILL: As I said, our conservative friends on the Treasury bench talk about making room for private investment. One would have thought in these days of recession, and almost depression, more than adequate room was available for any enterprising group of people in the community to make investments.

The fact is that without the reasonable level of Government investment necessary, private enterprise will be stifled. That is the fundamental difference between our economy and those burgeoning South-East Asian economies. When we talk about reductions in tax we cannot ignore the fundamental question of our economy.

Very big differences are apparent between what is happening in those countries and what is happening here. At the present time in those countries Government investment is increasing at

the round figure of about six per cent per annum, whereas in this country we are falling backwards. Those countries are relying on growth to bolster their economies, whereas the conservatives here are relying on the stifling of our industries and on the reduction of growth to beat inflation, in some miraculous way, and therefore relight the fires of industry. That policy is not working in Australia or in any other western country, while the opposite philosophy seems to be working well in those South-East Asian countries.

Another factor which seems to operate in those countries, but not here, is that they have been able to react to world economic conditions, which are unpredictable, in a much quicker way than we have in Australia. Labour and capital have been more mobile and able to be moved from the traditional industries to industries where there has been greater opportunity. Countries like Singapore have been actively moving out of labour-intensive industries and sending the workers offshore to develop technologically advanced industries which are improving the lot of everyone, but in different ways.

That can be contrasted with the attitude taken by this State Government which has performed the great political stunt of going to the Eastern States in an endeavour to filch or steal from those States—Victoria, New South Wales, and Queensland—industries which in the past have enjoyed a very high level of protection, industries generally which have been labour intensive and which have lived off the back of primary producers and mineral producers in this country.

Mr. P. V. Jones: Absolute rubbish!

Mr GRILL: What is more, the Government has done this with very little success.

Mr P. V. Jones: Absolute rubbish!

Mr GRILL: One of the structural problems of the Australian economy is that in many areas industries are overprotected. The State Government, by its own figures, has indicated that could be costing us up to \$800 million a year. I do not want to argue with those figures which the Government has put forward, and on that basis it is hard to understand why this Government would make such a stunt out of going across to the Eastern States in an endeavour to attract industries which reflect a high level of production.

Mr MacKinnon: Which industries? Could you be specific?

Mr GRILL: Give me one that the Government has got.

Mr P. V. Jones: Give us one which you said we were trying to attract that had a high level of production.

Mr GRILL: Members of the Government went there indiscriminately endeavouring to attract industry with caviar and champagne parties and what really happened was that they fell flat on their faces and attracted no industry to Western Australia.

Mr P. V. Jones: You cannot give us one.

Mr GRILL: Name one that was attracted here. They were indiscriminate. Name one that they got.

Mr MacKinnon: I indicated during the debate that we are going into this plan with a two-year strategy.

Mr Bryce: That is a hell of a lot of caviar and champagne parties, for two years.

Mr MacKinnon: If you believe businesses can make decisions overnight, you are sadly lacking in your knowledge of business, as are your colleagues.

Mr I. F. Taylor: Why do you come back and say you have made decisions? That is what you do.

The ACTING SPEAKER (Mr Tubby): Order!

Mr GRILL: The Minister has answered my question.

Mr MacKinnon: You have answered mine.

Mr GRILL: The whole thing is a sham and a stunt and it is the sort of thing members opposite could not have done while Sir Charles Court was here because he would not have countenanced it, copped it, or allowed it. Now that they have got him out of the road they are prepared to sneak across to the Eastern States.

Mr MacKinnon: Sir Charles Court actually allowed similar sorts of programmes back in the 1960s.

Mr GRILL: With the same sort of success, and this is why they were never repeated.

Mr MacKinnon: A great deal of success.

Mr Bryce: Nil success.

Mr Court: Do you support heavily protected industry?

Mr GRILL: The level of protection in Australia has to be examined critically. Some industries need protection and I do not think there is a member on that side of the House who would deny that.

Mr MacKinnon: Which one?

Mr GRILL: Others need to be looked at very critically indeed and the level of protection should be improved.

Mr P. V. Jones: Would you give BHP 80 per cent of the market in Australia, for which it is asking?

Mr GRILL: That is a very technical question. It deserves some protection, yes.

Mr P. V. Jones: That is not the question I asked. Would you give it the percentage for which it asked?

Mr GRILL: I thought BHP was asking for 85 per cent. That is a specific question which demands a specific answer, the relevant facts having been looked at. If the Minister wants to commit himself on it now, he can; but I will not. Levels of protection should be looked at critically. If we do not look critically at this problem in the future we can expect to be in worse trouble than we are in now.

Our economy is structurally unsound. It is falling down. We have not introduced technology into this State in the way we should. We have not introduced a technology park; there has been a great deal of talk about it, but very little has been done. The South-East Asian people introduced technology very quickly indeed, and that is another area in which we are falling behind our neighbours.

Mr MacKinnon: Are there any technology parks in South-East Asia?

Mr Bryce: There is one in Singapore.

Mr MacKinnon: I am talking about South-East Asia.

Mr Bryce: Where is Singapore if it is not in South-East Asia?

Mr MacKinnon: I didn't say it wasn't. I just asked where the parks are.

Mr Bryce: I said there is one in Singapore.

Mr MacKinnon: I know that. I am asking Mr Grill.

Mr I. F. Taylor: Don't be ridiculous.

Mr Wilson: Raise the tone a bit.

Mr GRILL: I will respond to some interjections, but not inane interjections like that. Of course there are technology parks in South-East Asia. The questioner is well aware of that.

In terms of technology we are falling further and further behind. Strangely enough, we are falling further behind in terms of entrepreneurship, the sort of thing the South-East Asians are very good at. They have hosts of small businesses. Small businesses in this State and this country are being strangled by high rates

of personal taxation, high State taxes of all sorts, and overregulation.

This Government is a world champion in terms of regulation. It holds the world record in respect of the establishment of QANGOS and other statutory bodies and authorities.

Mr Herzfeld: You wouldn't set up any yourself, would you?

Mr GRILL: No, we would not, not one.

Mr Herzfeld: Not one? Just count up how many you would set up in your platform.

Mr I. F. Taylor: You read it. It might do you a lot of good.

Mr Bryce: He hasn't read it since 1972.

Mr GRILL: Of course, every Government needs to set up some form of statutory body.

Mr Wilson: Not as many as this Government has.

Mr Davies: We don't want to break any records.

Mr GRILL: We would never try to match our record with this Government's.

Mr Herzfeld: How about 26, for a start?

Mr GRILL: Let us consider the record of the Tonkin Government which set up QANGOS or statutory authorities at the rate of four or five a year, and the present Government which holds the State record of setting them up at the rate of nine or 10 a year. How do they compare?

Mr Herzfeld: Have a look at what your Party is committed to do.

Mr GRILL: Let us get back to the main points we are discussing.

Mr O'Connor: Let us get back to the motion.

Mr GRILL: I return to the question of whether this Government and this House support a reduction in personal income tax on a Federal level. Let us return to the question of whether people on the Treasury benches are prepared to support retrospective legislation.

To put the Government to the test, I will move an amendment to the amended motion.

Amendment to Motion, as Amended

Mr GRILL: I move an amendment—

Add the following to the motion, as amended—

- (3) Further, that this House expresses its support for the Federal Government's plan to introduce retrospective legislation in respect of "bottom-of-the-harbour" tax avoidance schemes.

MR BRYCE (Ascot—Deputy Leader of the Opposition) [11.57 a.m.]: I second this amendment, which relates specifically to bottom-of-the-harbour tax evasion schemes. I find it very difficult to imagine there is a member of this House who would not agree that bottom-of-the-harbour tax evasion schemes are probably the most reprehensible of all the schemes that have been devised in recent years to enable people to avoid their obligation to pay tax.

It involves stripping the assets of companies and effectively selling the companies to parties that do not exist—hence, the reference to “bottom of the harbour”—making it virtually impossible for the Taxation Commissioner to specifically locate the company directors and sheet home the responsibility for paying tax.

Of course, it is the individuals who sell these companies with accumulated profits and assets before the end of the financial year—with the assistance of the agent—who benefit so handsomely from the scheme.

I cannot recall the details of another scheme that has been used that has been more reprehensible. Maybe there are members on the other side of the House who are more familiar with this whole system and could draw my attention to a more reprehensible scheme. So far as I am aware, certainly in the last decade, there has been none and I would be surprised if members opposite were to stand in this place and oppose this amendment on the grounds of the rather specious dictates coming from the State Liberal Party at the present time.

I would like to direct the attention of the House to the St. George's Terrace decision makers in recent days. None of the members opposite has suggested that the report in this morning's paper is incorrect in its expression of the opinion that retrospectivity in legislation is to be opposed. In the early paragraphs of the article, it is unequivocally stated that the Liberal Party State Council strongly opposes the principle of retrospective legislation and reaffirmed its stand at a meeting on Saturday.

I would ask the Premier to answer by way of interjection: Is that the position of the State Liberal Party and does it reflect the opinion of the Government?

Mr O'Connor: I will reply directly.

MR BRYCE: The Premier has given us his same non-indication of where the Government stands. We are accustomed to that sort of difficulty. This is a fairly important fundamental legislative principle and the Liberal Party's

council has said that in principle it opposes retrospective legislation.

The member for Scarborough was at variance with the Premier in respect of this very question today. It will be interesting to see how he votes on this amendment. It will be interesting also to note whether there are not some other Liberals in this House who are concerned about the question of the valid use of retrospective legislation on appropriate occasions. Let me make our position clear: Members on this side of the House have advocated for many years that retrospective legislation is a dangerous and difficult weapon to use and should be used sparingly and with great care. Each and every situation which arises where the question of retrospective legislation might be involved has to be considered carefully and on its merits.

Mr Rushton: Are you fully aware of the Commonwealth's proposal?

MR BRYCE: I am about as aware as anybody in this Chamber. I have not received any background briefing from the Treasurer. He does not take me into his confidence and send me copies of background briefings.

There is no doubt that the use of retrospectivity is valid in certain cases. The use of that weapon must be carefully handled and it must be used in respect of special circumstances.

Mr Coyne: Do you think it should be used on the BLF?

MR BRYCE: I will give you a special example, brother, to demonstrate that.

Mr Rushton: Don't call him brother.

Mr Coyne: Call me “comrade”.

Mr Rushton: I was listening to that at Midland yesterday and I found it offensive.

MR BRYCE: I am not sure I would want to go into a battle and refer to the member as “tail-end Charlie” and therefore a comrade.

Mr I. F. Taylor: I hope *Hansard* recorded the comment about the Midland workshop because the Minister for Transport just called the workers socialistic bludgers.

Mr Rushton: Where did you get that from? More untruths.

MR BRYCE: The State Council of the Liberal Party has just stated unequivocally that it is opposed to the principle of retrospective legislation and I have asked the Premier whether that is the opinion of the Government and he has refused to indicate to me whether it is.

Mr O'Connor: I will express the Government's view shortly.

Mr BRYCE: The Opposition does not suggest as a matter of principle that retrospective legislation is wrong in every conceivable situation. It must be used sparingly and with great care—there needs to be specific justification for its use.

The Minister for Transport finds this humorous.

Mr Rushton: You waffle.

Mr BRYCE: Is the Deputy Premier in a position to tell me what the Government thinks about the principle of retrospective legislation?

Mr Rushton: The Premier will tell you all about it.

Mr BRYCE: The Deputy Premier cannot tell us either because the truth of the matter is the Government does not really know and its members are in the process of making up their minds right now because they know they are in an invidious position. The Premier and the Deputy Premier have asked the Minister for Health what he thinks. The Minister for Health had no hesitation in supporting the use of retrospective legislation when they brought legislation to this House approximately eight months ago and confiscated the right of a mining company in this State—Afro-West—to pursue its rights. Those are the guilty men—those sitting on the front bench—who used retrospective legislation.

Mr Young: How did you vote on the Tonkin “Angelas” Bill?

Mr BRYCE: They used retrospective legislation then. They used it to support a well-identified up-front supporter of the Liberal Party. They decided they would use retrospectivity to assist CRA and they did it knowingly and easily. There was no resolution from the State Council of the Liberal Party then to reaffirm its position. Where were the numbers—the 90:10; that great majority of the Liberal Party—scrambling to argue against the use of retrospectivity?

Mr Young: How did you vote on the Tonkin “Angelas” Bill?

Mr BRYCE: Has not the Minister for Health grasped the view of the Opposition yet? We are not a party which has said it is unequivocally opposed to the use of retrospective legislation. Of course, there are valid circumstances where this principle can be used and where it should not be used in the future. I re-emphasise that it needs to be used with great care.

Members opposite cannot have it both ways. They cannot say they are unequivocally opposed, as a matter of principle, when their faceless friends are going to be affected in this way. They

cannot come out in opposition on this occasion and suggest there is any degree of consistency with the line that they took only a few months ago on the diamond industry agreement Bill.

I have pleasure in supporting the amendment moved by the member for Yilgarn-Dundas.

MR YOUNG (Scarborough—Minister for Health) [12.03 p.m.]: It may be interesting—

Mr I. F. Taylor: The Premier is missing. He has gone for assistance from Warner.

Mr YOUNG: —for the Opposition members to observe that the Premier and I did not care who got up to speak first on this occasion, in spite of what the Opposition members seem to think, and their attempts to give the impression that there is some sort of division between the Premier and myself. Nothing could be further from the truth.

I have listened with interest to the roundabout way in which the Opposition once again has put across its message. If I sat here with a smile on my face—for the edification of some of the members opposite—it is because I never fail to be amazed by the efforts, not only of front bench members opposite, but also of their colleagues, to get every tiny smattering of political advantage they can.

What we have heard today is a classic roundabout treatment by the Opposition of what started off to be a simple motion. As the Premier said, it was infantile, and immature, and specious in its presentation because it did not pursue to the ultimate the point it was making. The Opposition tried to put up a “motherhood” motion which was ineffective in its form. It took umbrage at the fact that the Premier said that he would move an amendment in order that the motion would make sense.

The Leader of the Opposition was on his feet for some time—it was in the vicinity of 15 minutes—and he went around a most circuitous route trying hard to say that what the Government was saying is what the Opposition was saying. The Opposition was obviously not happy with the amendment that was moved to its original specious motion and decided to go along with it, but did not like it. It then got on to a subject which, I am sure, most members of the Opposition did not understand, and that was whether retrospectivity in respect of one particular taxation avoidance scheme should or should not be supported. The Opposition tried to tack it on to the motion to make it the most important part of the motion, to such an extent that it is now taking it as the amendment to the original “motherhood” motion.

The situation as far as retrospectivity is concerned, firstly, does not bear any relationship to the motion. It is important that the amendment be seen in the light in which it was moved. Secondly, I am not sure, from what I have heard from members of the Opposition, whether or not they like retrospective legislation. What the Opposition has said in respect of this subject is that it will find one such circumstance in which tax avoidance takes place and because there was some difference of opinion at the State Conference of the Liberal Party it could see if it could do some "fishing" and, in doing so, it learned from me that, generally speaking, I am totally opposed to retrospectivity.

Mr Wilson: This is a long personal explanation. Why didn't you let the Premier speak?

MR YOUNG: It is a shame that the member for Dianella sits there thinking I will get up and mumble and fumble and stumble and bumble like he does and be apologetic about what I am going to say today in regard to this amendment. He has lost his bearings because that did not happen. He is supposed to be a meek and mild man but he is really quite vicious and vitriolic.

Several members interjected.

MR YOUNG: I have not taken my eyes off the Acting Speaker since I commenced my speech and I am speaking directly to him. I do not intend to be sidetracked from my speech.

Members of the Opposition are not quite certain where they stand in respect of retrospectivity and speaking in reply to the Leader of the Opposition I said that, generally speaking, retrospectivity is as much an anathema to me as it is to almost every member in this place. As the Deputy Leader of the Opposition said, I have never supported retrospectivity. I said to the Deputy Leader of the Opposition that the very steps along the course in respect of bottom-of-the-harbour schemes could be unlawful anyway within existing legislation and there may not be necessity for legislation in respect of these particular schemes. The circumstances of these schemes, such as asset stripping, and "disposal" to non-existent people, seem to me to be such that they could quite properly be legislated against retrospectively.

I did not say to the Leader of the Opposition that I supported the legislation nor did I say that I did not support it; in fact, I have never seen the legislation. He asked a simple question of philosophy and rather than my answer appear in *Hansard* without any clarification on my part, it is better I stand up and tell the Leader of the Opposition his play is not working.

Whether a decision is going to be made in respect of this legislation is up to the Federal Parliament. We, in this State, will not be voting on it. The matter will be considered in the party rooms of the Opposition and the Government. It will not be a State Government decision as to whether it will introduce a Bill or motion in respect of that legislation. It is absolutely essential that rather than the Leader of the Opposition ask one simple question and I give one simple reply, I take the opportunity to say what I have said.

It is worth dwelling on as an aside that there could be illegality rather than unlawfulness arising out of the steps along the way in the bottom-of-the-harbour schemes.

If the Leader of the Opposition does his homework, he may find that legislation may not have to go before Parliament; this is an expression of my point of view.

The Government opposes the amendment that was moved by the Leader of the Opposition, and for the reasons I have outlined I intend to support the Government.

MR O'CONNOR (Mt. Lawley—Premier) [12.13 p.m.]: I would like to clarify a matter relating to a remark made by the member for Dianella. I have been in this Chamber all morning except for approximately two minutes when I left to take an urgent telephone call. It was my intention to reply to the amendment moved by the member for Yilgarn-Dundas. I inform members that SEC workers are going back to work—that is the message I received when I was outside the Chamber. I requested the Minister for Health to speak on my behalf if I had not returned.

Members on this side of the House are able to make their own decisions irrespective of what decisions are made by the State Council of the Liberal Party. Therefore, we on this side are not committed to the decisions of the council. Obviously we take notice of what our supporters say, but we do what we believe is right. Opposition members are committed to the decisions of the party and they are told what to do. That is the difference between the two parties in this Chamber. I refer to the amendment to the motion, as amended, which reads as follows—

Add the following to the motion, as amended—

(3) Further, that this House expresses its support for the Federal Government's plan to introduce retrospective legislation in respect of bottom-of-the-harbour tax avoidance schemes.

The Opposition has asked that we support the Federal Government's plan, yet the Deputy Leader of the Opposition himself said he did not know what the plan was.

Mr Bryce: You do not need to know the details of legislation. We are talking about a plan, you goose.

Mr O'CONNOR: I can understand the Deputy Leader of the Opposition's getting nasty when he is done over again. The Opposition has asked for support of the plan, but it does not know what the plan is.

The Opposition has no idea what the legislation is, or will be. I believe, from what I have been told—and this is from the legal people—

Mr Bryce: You don't know it either.

Mr O'CONNOR: The Opposition has asked the Government to support the Federal Government's plan—

Mr Bryce: We didn't say their legislation.

Mr O'CONNOR: The amendment reads, "support for the Federal Government's plan to introduce retrospective legislation in respect of bottom-of-the-harbour tax avoidance schemes."

Mr Bryce: That is right.

Mr O'CONNOR: We do not know what the legislation will contain, and we are not going to support it on those terms. The Opposition is supporting it without knowing the full details. I have been advised by legal people—I am not a legal person and I do not know—and I believe that there is a law to cover bottom-of-the-harbour operations, and people can be taken to court and made to pay back tax. Why should we support a plan for legislation if the situation I have outlined exists? The information I have from legal people is that the law is there now and can be used.

Mr I. F. Taylor: You should ring John Howard and tell him.

Mr O'CONNOR: I do not have to tell him. I am telling the House.

Mr Grill: This is empty sophistry. Your policy is in disarray and you do not know what to do. You are wriggling on a hook.

Mr O'CONNOR: The member for Yilgarn-Dundas has moved the most airy-fairy amendment to the motion as amended, without knowing what he is supporting. He asks us to support the Federal Government's plan. He does not know what the plan involves or what the legislation would bring about. He asks us as responsible members of this House to support it, but there is no way I will support legislation without knowing what is in it. I have made it

clear that I do not like retrospectivity. I do not like tax avoiders either, and I think they should be brought to heel as far as possible. If there are faults in the legislation it should be amended, and we will give full support to any moves in that direction. But today we are talking about Federal legislation in which we will have little to say. In fact, a number of the Opposition motions on the notice paper apply to Federal legislation.

Mr Grill: Your argument is threadbare.

Mr O'CONNOR: It is not as threadbare as the amendment moved by the member for Yilgarn-Dundas. The amendment is a weak one, like the member who moved it.

Several members interjected.

Mr O'CONNOR: If I may be permitted to continue, Mr Acting Speaker—

The ACTING SPEAKER (Mr Trethowan): Order!

Mr O'CONNOR: I fully support action to plug any loopholes in the tax law where people are getting away with things which should not be allowed. But how would we feel if the Commonwealth Government said it needed more money to balance its Budget and it proposed to increase income tax by 10 per cent retrospectively to last year?

Mr Brian Burke: No-one has suggested that.

Mr Grill: You are caught. You came in like suckers.

Mr O'CONNOR: Like some of the people the member for Yilgarn-Dundas has been dealing with in the mining industry.

Mr Grill: Gratuitous personal insults like that do not do you any good.

Mr O'CONNOR: The member for Yilgarn-Dundas should mind himself.

Mr Grill: You should substantiate those insults or not make them, you cowardly so-and-so. Substantiate them. You are a coward.

Mr O'CONNOR: I will not ask for a retraction of that remark. Obviously I have touched the member on the raw. To return to the point I was making, if there are faults in the law, or if the law needs altering, I am happy to do what I can to overcome these problems and to speak to the Federal people about it. The information I have is that there is sufficient in the law now to cover the problems involved, and there is no need for legislation.

Mr Bryce: Are you going to answer my question about where your Government stands on the use of retrospective legislation?

Mr O'CONNOR: We generally do not like retrospective legislation.

Mr Davies: I do not think anyone does.

Mr O'CONNOR: If a person abides by the law we should not go back and take retrospective action against them. That is the general approach we should take unless there are exceptional changes in the circumstances.

Mr Brian Burke: You do not think the bottom-of-the-harbour tax avoidance schemes are exceptional enough?

Mr O'CONNOR: From the information I have there is already sufficient legislation.

Mr Brian Burke: That is not what Mr Howard thinks.

Mr O'CONNOR: If people have acted illegally they should be slipped into substantially.

Mr Brian Burke: Not treated retrospectively?

Mr O'CONNOR: If they have acted according to law we must be careful. These people may be employing a dozen or 20 or 50 others who may lose their jobs.

Mr Brian Burke: I agree we have to be careful, but if Mr Howard is correct and retrospective legislation is the only way to collect the tax avoided, would you support it?

Mr O'CONNOR: I would have to look at that at the time. At present I am advised there is sufficient legislation to cover the problem.

Mr Bryce: Why doesn't Mr Howard know that?

Mr O'CONNOR: Maybe he does. Members of this House should be responsible and make sure they know where they are heading. This amendment leaves a great deal to be desired. We are being asked to support the Federal Government's plan to introduce retrospective legislation. We do not know what is in it and I would not be prepared to support it in those circumstances. Where matters have been carried on lawfully we must be careful in taking retrospective action. I oppose the amendment to the motion, as amended.

MR I. F. TAYLOR (Kalgoorlie) [12.22 p.m.]: Tax avoidance in this country by unscrupulous parasites in the tax avoidance industry—lawyers and accountants—is such that we no longer have tax parity and justice. Wage and salary earners are bearing the brunt of the tax avoidance industry's activities, yet the Premier and the Government squirm when an amendment like this comes before them because they do not know what to do. They say they oppose it because they do not know what is in the Federal legislation. It

is a matter of principle. Does the Government favour bottom-of-the-harbour tax avoidance schemes, or is it going to do something about them and support us in this amendment? That would ensure the Federal Government knew it had the support of this Parliament when it introduced its legislation to deal with these schemes.

If we do not have retrospective legislation, we give the tax avoiders encouragement. They know they can implement a new scheme and go for two or three years without the Federal Government's doing anything about it. The Treasury may then say that from 3 September 1982 the scheme will become illegal. But the tax avoiders have had two or three years to derive benefits from the scheme. If tax avoiders knew legislation would be introduced retrospectively, they would not enter into tax avoidance schemes. There would be no justification for them or for the people who employ them to enter such schemes. It is about time the Government was dinkum about tax avoidance and took notice of what the community thinks about tax dodgers. The public has no time for them. The Government's attitude indicates how far out of touch both it and the State Council of the Liberal Party are with the needs of the community. The State Council of the Liberal Party voted 90 to 10 to oppose retrospective legislation.

Mr Clarko: The Liberal Party does not count votes. I have been on that committee for 22 years and the votes have not been counted once.

Mr I. F. TAYLOR: Who moved that motion before the State council? It was none other than W. W. Mitchell. Last week, W. W. Mitchell rolled into Kalgoorlie, and lo and behold, what did he give us, the members who represent Kalgoorlie? He made a statement—

Point of Order

Mr GRILL: I rise on a point of order, Sir. Cannot the Minister for Education be controlled in some way or other? He is shouting whole sentences and paragraphs across the Chamber.

Mr Sibson: What about the member for Gosnells?

The ACTING SPEAKER (Mr Trethowan): There is no point of order. I have allowed a significant amount of interjections from both sides, because I felt it was contributing to the debate. I do not believe that in this instance the level of interjections were worse than at other times during the debate. The member for Kalgoorlie.

*Debate (on amendment to motion, as amended)
Resumed*

Mr I. F. TAYLOR: It does not particularly worry me if the buffoon of a Minister for Education makes interjections. He never adds anything to the debates in this Chamber when he interjects or when he makes a speech. He does not worry me at all.

Mr Clarko: Why do you always sound so grumpy?

Mr I. F. TAYLOR: This infamous W. W. Mitchell rolled into Kalgoorlie, and in making an address he said, "The Liberals attack with new tax measure". What a gaffe! I hope that the Liberal Party continues to send these fools to Kalgoorlie to make such statements. W. W. Mitchell does not even have sufficient common sense to realise that people in Kalgoorlie are wage and salary earners. They are ordinary working people, and they hate tax dodgers and those in the tax avoidance industry as much as do we on this side of the House. Yet W. W. Mitchell comes into Kalgoorlie and supports the tax dodgers. This incident was almost as silly as the occasion on which the Minister for Education visited Kalgoorlie before the last by-election. He had the hide to suggest that the people representing Kalgoorlie in the State Parliament, including the late "Shack" Evans, had not opposed the Mining Bill. That was absolutely ridiculous. All I can say to the Liberal Party is: Keep rolling them in and we will keep rolling them out.

Mr Clarko: You went back to Kalgoorlie only lately.

Mr I. F. TAYLOR: I refer now to the tax avoidance problem. Recently we have heard of spectacular cases of tax avoidance. I think it was in November 1979 that the Bell group of companies tried to take over the Ansett Transport Industries. The take-over bid did not succeed but the Bell group then sold the company that had made the actual purchase of the shares to another company and as a result of that transaction, it made \$11 million profit which was untaxable.

A little later the Bell group did exactly the same thing. It tried to take over Elder Smith Goldsbrough Mort Ltd. Again it sold off the company for another \$16 million profit.

Mr Young: Is that outside the law?

Mr I. F. TAYLOR: It happened again when Bond Corporation Pty. Ltd. made a take-over bid for White Industries. Although the take-over bid was not proceeded with, the Bond Corporation made a profit of \$32 million. The total tax loss to this community, as a result of those transactions, was \$27 million.

Mr Young: They weren't schemes.

Mr I. F. TAYLOR: I did not say they were schemes.

Mr Young: That is like saying that people ought to pay tax on the sale of their houses. It just is not taxable.

Mr I. F. TAYLOR: If retrospective legislation were introduced, we would ensure the tax was paid. Tax avoidance will continue until legislation to close the loopholes is made retrospective.

Mr Brian Burke: Those shelf company sales are taxable now. Your Government has introduced legislation to tax them.

Mr Young: He is talking about retrospectivity going back to Heaven only knows when.

Mr Brian Burke: You said they were not schemes. Your Government introduced the legislation—they are now taxable.

Mr Young: You are having a bad day.

Mr I. F. TAYLOR: Last night the Minister for Health suggested that the tax avoidance industry was dead. He said that Howard and Fraser had made sure that the industry could survive no longer because the Government had closed off all the loopholes. We know of at least one loophole which is open and which is being used still by companies in Australia today—the so-called offshore licensing scheme. A company may decide that it has a product it can license. The product could be a manufactured one, a copyright, an advertising policy, or computer software. Once the product is licensed, the company then sells the licence to an overseas company, a company which it has set up in a tax haven such as Hong Kong where company tax is in the vicinity of 15 per cent.

The company in Hong Kong owns the licence, but the goods are produced by the company in Australia. As a result, the Hong Kong company charges the Australian company for the privilege of using that particular product. Then the company in Hong Kong is taxed on the income it receives from its Australian parent.

Mr MacKinnon: Isn't there legislation covering that sort of thing?

Mr I. F. TAYLOR: There is no legislation covering it now.

Mr MacKinnon: It is exactly the same sort of thing as setting up a wholesaler in Hong Kong.

Mr I. F. TAYLOR: The Minister is talking about legislation covering transfer pricing, but I am talking about something that is going on at the moment. The Minister for Health said that all the loopholes had been closed.

Mr Young: Have you any examples of loopholes which are still open?

Mr I. F. TAYLOR: One of the reasons that all the loopholes are not closed is that the Income Tax Act is absolutely nonsensical. No-one can understand it—basically it is 1 000 pages of incomprehensible legislation. It is incomprehensible not only to the average person, but also to lawyers, accountants, and the people employed in the Taxation Office itself. These people are battling to understand the Act, so how can the Minister for Health suggest that the tax avoidance industry is finished? Tax avoidance will not be finished in this country until the tax avoiders know that retrospective legislation will cut off their activities, and until the Federal Government undertakes a complete review of the Income Tax Act and redrafts it so that it is no longer incomprehensible.

I support wholeheartedly the amendment to the motion, as amended moved by the member for Yilgarn-Dundas. It is time this Government stopped squirming because if it does not change this sort of attitude it is finished.

Amendment (to motion, as amended) put and a division taken with the following result—

Ayes 20

Mr Bertram	Mr Gordon Hill
Mr Bridge	Mr Jamieson
Mr Bryce	Mr T. H. Jones
Mr Brian Burke	Mr McIver
Mr Terry Burke	Mr Pearce
Mr Carr	Mr A. D. Taylor
Mr Davies	Mr I. F. Taylor
Mr Evans	Mr Tonkin
Mr Grill	Mr Wilson
Mr Harman	Mr Bateman

(Teller)

Noes 26

Mr Blaikie	Mr O'Connor
Mr Clarko	Mr Old
Mr Court	Mr Rushton
Mr Coyne	Mr Shalders
Mrs Craig	Mr Sibson
Mr Crane	Mr Sodeman
Mr Grayden	Mr Spriggs
Mr Grewar	Mr Trethowan
Mr Herzfeld	Mr Tubby
Mr P. V. Jones	Mr Watt
Mr MacKinnon	Mr Williams
Mr McPharlin	Mr Young
Mr Mensaros	Mr Nanovich

(Teller)

Pairs

Ayes	Noes
Mr Hodge	Mr Laurance
Mr Parker	Mr Hassell
Mr Barnett	Dr Dadour

Amendment thus negatived.

Debate (on motion, as amended) Resumed

Sitting suspended from 12.36 to 2.15 p.m.

Question (motion, as amended) put and passed.

ROAD TRAFFIC AMENDMENT BILL (No. 2)

Notice of Motion

MR HASSELL (Cottesloe—Minister for Police and Prisons) [2.17 p.m.]: I seek leave to give notice of a Bill.

The ACTING SPEAKER (Mr Watt): I draw to the attention of the House that Standing Order No. 104 provides—

No Notice of Motion shall be given after the House shall have proceeded to the business of the day as set down on the Notice Paper.

In effect, if the House gives leave, it will suspend Standing Orders to enable the Minister for Police and Prisons to give notice so that the Bill may appear on the notice paper next week. Is leave granted?

Point of Order

Mr BRIAN BURKE: On a point of order, I hate to be a stickler. The Opposition has agreed to give leave to the Minister; but I do not think we can interpret that seeking leave is a motion to suspend the Standing Orders. Both require different things for their agreement. In one case, the requirement is that a dissentient voice not be heard; in the other case, the requirement is that the House, by a majority, carry the motion.

The ACTING SPEAKER: In response to the point of order, the words I used were that giving leave would, in effect, suspend that Standing Order. Perhaps that is an exercise in semantics. I was trying to explain to the House what effect this would have.

Notice of Motion Resumed

Leave granted.

Mr HASSELL: I give notice that at the next sitting of the House I shall move for leave to introduce a Bill for an Act to amend the Road Traffic Act 1974-1982, the Road Traffic Act Amendment Act 1978 and for related purposes.

BULK HANDLING AMENDMENT BILL

Third Reading

MR OLD (Katanning—Minister for Agriculture) [2.21 p.m.]: I move—

That the Bill be now read a third time.

I undertook to supply information to the member for Warren. I understand the information has been supplied in the form of an answer to a question. If he is happy with the information I have provided, I commend the Bill to the House.

Question put and passed.

Bill read a third time and transmitted to the Council.

LOCAL GOVERNMENT AMENDMENT BILL (No. 3)

Message: Appropriations

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

ADMINISTRATION AMENDMENT BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr O'Connor (Premier), read a first time.

COAL MINE WORKERS (PENSIONS) AMENDMENT BILL

Second Reading

Debate resumed from 4 August.

MR T. H. JONES (Collie) [2.23 p.m.]: This is a very small Bill, and it did not take the Minister long to introduce it. However, as far as the coalmining industry is concerned, the Bill has a very important purpose. It provides for two changes.

The first purpose of the Bill is to provide that members of the "A" division of the Collieries' Staff Association in the managerial field will be permitted to extend their service to the age of 62 years, instead of the present requirement that they retire at 60 years of age. It provides also that mineworkers generally may have the opportunity of retiring at age 58 years, in lieu of the existing requirement of 60 years under the Act.

This is a package deal, and as the Minister would know, the coalmining industry unions have been discussing this matter with him and myself for some time. I am pleased that the Government now has agreed to the measure.

In his second reading speech, the Minister indicated that he recognised the nature of the work involved in the coalmining industry, and he referred to the demands on workers. This amendment will permit workers who have failing health, perhaps, to take the opportunity of retiring at age 58 years instead of continuing to age 60 years.

Agreement has been reached on the amendments. They will be to the benefit of the workers. They will also allow the coalmining companies to retire men who are not in good health and replace them with men who would be of better advantage to the industry.

I thank the Government for introducing the measure and indicate it has the full support of the Opposition and the mining industry generally in Collie.

MR P. V. JONES (Narrogin—Minister for Mines) [2.25 p.m.]: I thank the member for Collie for his support of the Bill. As I have advised the member, the implementation of part of the contents of the Bill has been the subject of a query by one of the coal companies. I shall be meeting with that company before the Bill completes its passage through the Parliament in case it wishes a particular measure to be considered by the union and the Government.

However, I emphasise that the query has been raised on an administrative matter and the principle contained in the Bill has been discussed amicably with the union for some time and agreement has been reached. As a result, as far as the Government is concerned, this measure will be incorporated in the administration of the coalmining industry.

I take the opportunity to record the Government's thanks for the way in which the union representatives—Mr Smith, Mr Murray, and their colleagues—have been willing to discuss this matter for some time. This is the second measure relating to pensions and retirement matters that has been discussed in the last year and, as with the first issue, discussions have proceeded in a very amicable and positive way. I express my thanks to the union for that.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

ROAD TRAFFIC AMENDMENT BILL

In Committee

Resumed from 10 August. The Chairman of Committees (Mr Blaikie) in the Chair; Mr Hassell (Minister for Police and Prisons) in charge of the Bill.

Clause 1: Short title and citation—

The **CHAIRMAN**: Progress was reported on clause 1.

Clause put and passed.

Clause 2 put and passed.

Clause 3: Section 19 amended—

Dr DADOUR: I am in a dilemma, because this clause seeks to take away the power of Parliament

to deal with fees and to enable them to be dealt with by way of regulation.

Over the last 10 years the work of Parliament has been eroded, because of the trend evident in this Bill. I do not complain about motor drivers' licence fees being increased to \$11 a year or vehicle licence transfer fees being increased to \$5. My only complaint is that more and more of the power of Parliament is being eroded and, as a result, I find myself in a dilemma.

Mr Brian Burke: Hear, hear! Executive Government!

Dr DADOUR: Bearing in mind the present situation, I do not believe in Executive Government.

The following comment appeared in the Minister's second reading speech—

It is Treasury policy to remove fees from Statutes and have such contained in regulations to allow for budgetary projections to take effect.

If these sorts of matters are brought to Parliament, restraints may be imposed. For example, fees would not be able to be increased more than once a year and, if the proposed rise was too great, members of Parliament would be able to express their views in an attempt to reduce the increase to a realistic level. However, by allowing this matter to come under regulations, this will not occur and I cannot reconcile the situation.

I do not know whether any other members on this side of the Chamber have strong views on this subject, but the matter should be considered, because the Parliament is being criticised frequently for failing to sit for an adequate period and having an insufficient work load.

The principle to which I have referred is wrong and, although I stated that to my colleagues, I did not receive any support. I find myself in a dilemma and I cannot support the measure.

Mr CARR: The objections which have just been raised by the member for Subiaco are the same objections which were raised on Tuesday night by the Opposition during the second reading debate. I do not see any great merit in repeating today all that was said then, except to point out that the Opposition agrees with the member for Subiaco that the power of Parliament is being eroded and it rejects this transfer of power from legislation to regulation. We do not support the clause.

Mr HASSELL: As the member for Geraldton has said, this matter was discussed in the second reading debate the other night. I fully understand

the point made by the member for Subiaco and, as I said previously, as a general proposition I support very strongly the view that measures which impose taxes should not be removed from the jurisdiction of Parliament. However, a long history exists for many measures imposing charges and fees being removed from specific parliamentary approval, to be dealt with by way of regulatory changes.

In that respect this is a much less significant measure than many which have been accepted as regulations for a long time by successive Governments and which have increased water, hospital, and freight charges, bus fares, and so on. All such charges and many others are determined by regulation, and not even by regulation in some cases. Although this is regarded as unsatisfactory by some members, for reasons I understand, the fact is that Parliament has exactly the same power to disallow a regulation to increase a fee or charge as it has to disallow a Bill to increase a fee or charge. The other night the member for Geraldton said that he could not recall any regulation being disallowed. Equally, I do not recall any Government money Bill, taxing Bill, or charging Bill being disallowed by the Parliament. I do not see how we could draw an absolute line between the two.

In general, taxing measures are dealt with by Parliament and charging and fee-making measures are dealt with by regulation. This proposal is not part of a broad thrust to deprive Parliament of its powers. I for one would oppose such an approach as would other Government members, without question. The fact is the Government is distinct from Parliament and always has been. When it determines the revenue it has to raise from various instrumentalities for services provided, it has regard for the cost of those things and not for the taxing measures coming in. It is on that basis that this measure is brought forward with the acknowledgment of precisely the increase proposed in this case.

Dr DADOUR: Although the Minister agrees with what I said I notice he is not agreeing to do what I asked.

When the Government does something by regulation, the regulation appears on the Table of the House. As a Government back-bencher I do not get the opportunity to know about regulations coming forward whereas in the party room I do have a chance to comment on legislation. So as a Government member I want to have my say, but if charges are introduced by regulation I will not get my say until I can speak in the Parliament. The Minister's argument about disallowing regulations is fallacious. In the party room I have

a chance to speak up and stop a Bill designed to raise a fee by X number of dollars. If a fee-raising measure does not come to the party room, as a back-bencher I will be forced to come to the Parliament to fight it.

I find it hard to believe that, generally, fees are being introduced by regulation and taxes by Statutes. What is a tax? To me a tax is something from which a Government is making money. The Government is making money from the SEC and water and sewerage authorities through a three per cent levy which is virtually a tax. I notice those levies are not being placed in the Statutes, but are remaining in regulations. As I understand it, this is another erosion of Parliament's power.

Clause put and a division taken, with the following result—

Ayes 21

Mr Clarko	Mr O'Connor
Mr Court	Mr Old
Mrs Craig	Mr Rushton
Mr Grayden	Mr Shalders
Mr Grewar	Mr Sibson
Mr Hassell	Mr Tubby
Mr P. V. Jones	Mr Watt
Mr Laurance	Mr Williams
Mr MacKinnon	Mr Young
Mr McPharlin	Mr Nanovich
Mr Mensaros	

(Teller)

Noes 18

Mr Bertram	Mr Jamieson
Mr Bridge	Mr McIver
Mr Bryce	Mr Parker
Mr Brian Burke	Mr Pearce
Mr Carr	Mr A. D. Taylor
Dr Dadour	Mr I. F. Taylor
Mr Davies	Mr Tonkin
Mr Harman	Mr Wilson
Mr Gordon Hill	Mr Bateman

(Teller)

Pairs

Ayes	Noes
Mr Spriggs	Mr Hodge
Mr Sodeman	Mr Evans
Mr Coyne	Mr Barnett
Mr Trethowan	Mr T. H. Jones
Mr Herzfeld	Mr Grill
Mr Crane	Mr Terry Burke

Clause thus passed.

Clauses 4 and 5 put and passed.

New clause 4—

Mr HASSELL: I move—

Insert after clause 3 the following new clause to stand as clause 4—

Section 47
amended.

4. Section 47 of the principal Act is amended in subsection (1) by deleting "see otherwise payable under Part IV of the Second Schedule" and substituting the following—

prescribed fee otherwise payable under section 52

On Tuesday night in speaking for the Opposition the member for Geraldton suggested that the drafting of the Bill was deficient in that it would inadvertently, or because of a surreptitious plot, take away the pensioner concession. I undertook then to have the matter properly examined. Crown Law has studied the point and this amendment results. I acknowledge that the member for Geraldton was correct in suggesting that the drafting was deficient. However, I was advised that, despite the deficiency in the drafting and even had the point not been picked up, power exists to prescribe a concession for pensioners under the prescribing provisions to be inserted in the Act. Although the drafting would not have been satisfactory, Parliament would not have eliminated the capacity to provide the pensioner concession. Quite frankly, we would have continued to provide it and sought to clean up the drafting at the first opportunity had not the member pointed out the deficiency and allowed us to correct it now. The amendment has the effect of maintaining in the Statute the requirement that the pensioner concession be maintained at half the prescribed fee for a driver's licence.

Mr CARR: Members of the Labor Party were pleased the other night when the Minister adjourned the debate to have the matter examined and we are pleased now that his examination justifies the action we took on that occasion. I do not intend to go on for a long time saying "We told you so" except to say that I thought the Minister was a little ungrateful the other night when he so strongly criticised us for having the temerity to raise in this place, of all places, the fact that we had detected a deficiency in the Government's Bill.

Mr Hassell: No, I did not. I specifically said it was your right to raise the matter. I was talking about courtesy when your colleague was being so clever.

Mr CARR: I am sorry if I misunderstood the Minister.

There are, of course, two amendments on the notice paper; firstly, the amendment which I fairly hastily provided on Tuesday and put on the notice paper after the debate on Tuesday and, secondly, the amendment which has now been moved by the Minister. It is interesting to note that the two really are identical in terms of what they do and how they do it, and there is only a fairly minor difference, between the two in wording. That gives us some pleasure.

We are quite happy to accept the amendment moved by the Minister.

Amendment put and passed.

New Clause, as amended, put and passed.

Title put and passed.

Bill reported with an amendment.

INDUSTRY (ADVANCES) AMENDMENT BILL

Second Reading

Debate resumed from 4 August.

MR BRYCE (Ascot—Deputy Leader of the Opposition) [2.47 p.m.]: I have very carefully studied the Minister's second reading speech when he introduced this fairly brief piece of legislation and I searched in vain for a phrase, a sentence, or maybe even a paragraph in which the Minister took the opportunity to say that Her Majesty's Loyal Opposition was in fact correct in 1980 and the Government was wrong. It is probably an appropriate time at the beginning of this debate for me to ask the Minister: Does he now admit that the Opposition was right and that he and his colleagues were wrong in rejecting the amendments and the suggestion that the Government seek further advice when the Bill was debated originally?

Mr MacKinnon: I will respond in due course.

Mr Carr: It is a bit much to ask him to really acknowledge that.

Mr Clarko: That would ruin his speech.

Mr BRYCE: No. In fact, that was the Minister's soft option and it could have taken only five minutes.

Mr MacKinnon: Go for your life. I didn't say I don't agree; I just said I will respond in due course.

Mr BRYCE: It is a great pity for our system of government. This is one of the best illustrations in a long time of the weaknesses of the Westminster system as it presently operates in this State.

Mr Tonkin: It is not the Westminster system now.

Mr BRYCE: Two years ago when a major piece of legislation was brought to the Parliament, the Opposition supported that legislation in principle, but in respect of the most important critical detail, suggested a change to the Minister on the grounds that what the Minister was proposing would not work and that it would be necessary for him to bring the Bill back to Parliament for some change.

At the time the National Party and the Labor Opposition voted to urge the Minister to see the logic and the common sense of exactly what the Minister is seeking to do today.

To refresh the memories of members of this House, I indicate that the Industry (Advances) Act is a most important vehicle on the Statute book that enables Governments of the day to make available to industry direct financial assistance. It was long overdue in the second half of 1980 when the Government brought this 1947 Statute to Parliament to reshape it in a very fundamental way. At that time the same Minister, who was not inclined to admit the Opposition was so spot on and correct in 1980, refused to acknowledge that the Government had borrowed large slabs of the Australian Labor Party's policies affecting the small business sector. Governments of both ilks have ignored the small business sector in Western Australia for many years.

Mr Tonkin: Hear, hear!

Mr BRYCE: We advocated a series of important and useful constructive steps. The Government came to this Parliament having snatched a number of those important initiatives, changed them slightly to suit itself, and embodied them in this piece of legislation. Of course, at that time the Minister refused to acknowledge the source of those initiatives and on this occasion again he simply is refusing to acknowledge that the Government was wrong, and that the National Party and the Labor Party at that time were quite correct in their assessment of the most important provision in the Bill.

Having said that this piece of legislation is the most important vehicle to provide financial assistance to industry, I remind members of Parliament that we debated this issue for 4½ hours in 1980. We argued with the Minister on three basic clauses, the most important of which concerned the basis upon which financial assistance should be given to industry.

In 1980 the Minister insisted on writing into the legislation a clause which would make it impossible for a Government to provide direct financial assistance to a firm if it was in competition with other firms within the same industry that had not received assistance from the Government.

At the time when we drew to the Minister's attention the impracticality of sticking to that—after all, members on this side of the House and members of the National Party drew the Minister's attention to a host of examples in which the Government has over the past eight or nine years generously offered guarantees to specific firms throughout the State which are in competition with other firms—and we cited cases of country hotels, motels, and other smaller to

medium-sized firms which were in competition with firms within the same industry. Despite those examples and despite the logical inevitability that the Government would have to change the legislation in the future, in 1980 the Minister dogmatically insisted that the Government would not listen to reason.

Mr Tonkin: It is a characteristic of weakness.

Mr BRYCE: It is a characteristic of the weakness of our system of government that a Minister feels his ego is on the line when sensible amendments are moved during the course of a Committee debate. It is a weakness when a Minister feels he simply cannot accept an amendment for fear that he may lose face with his Cabinet colleagues or party back-bench members.

We on this side of the House suggested at one stage that the Minister should adjourn the proceedings of the Committee and refer to his advisers. In 1980 we suggested to him that that particular clause of the Bill would make it difficult for the Act to be administered. He refused our suggestion and used the numbers—21:20 at the time—to insist that the Committee debate proceed.

We proceeded to the next stage of the debate and we on this side of the Chamber moved an amendment, in Committee, that was designed to do precisely what this piece of legislation is doing today. It was not exactly the same wording by any means, but the purpose was precisely the same. However, the Minister said that it was impossible for him to accept that amendment and he derided the logic of it. The Government, with a majority of one, outvoted the Labor Party and the National Party, without considering the sense of the amendment.

During the third reading stage I reminded the Minister that it was inevitable that before too long the legislation would be brought back to this place because the clause he had insisted upon retaining would make the Statute inoperative or administratively clumsy. I said he would bring the legislation back to this place to seek further amendment and of course, that is exactly what is being done today.

For sake of the record I wish to quote from two paragraphs of that third reading debate. This was after almost five hours of debate on a very important Statute. It is not often I have been known to quote myself in this place, but I do want to remind the Minister of exactly what I said to him during that third reading debate two years ago. On Wednesday, 26 November 1980, at page 4034 of *Hansard* I said—

It is a great pity it has taken so long for this Bill to come before the House and that, when it comes here, it is in an unsatisfactory form. It is my view that within a very short space of time, this legislation will be back before the Parliament to be amended.

The entire debate of the Committee stage demonstrated one of the most unfortunate features of the Westminster system of Parliament. Despite the fact that the Opposition had a policy very similar to that of the Government in respect of assistance which is needed by industry, it was not possible for a Government Minister to concede to the Committee and this House the amendment moved by the Opposition could have improved the quality of the legislation and it would be acceptable to the Government. It is unfortunate, but that makes it a very pitiable reflection upon our Parliament.

I refer to the Minister's Committee speech of Wednesday, 28 November 1980, at page 4028, when he was explaining to this Parliament why he was insisting that the unworkable clause remain in the legislation. The Minister said—

Secondly, the member for Ascot asked what would happen if two or three local industries are involved in the same business and the Government assisted one company. What would we say to the other companies which were not assisted? That situation is indefensible and, therefore, it cannot be answered.

That is the position which the Minister suggested two years ago was indefensible but today, at this moment, he is bringing it to this Chamber to turn it on its head—he is seeking to turn 180 degrees—and saying something which was indefensible two years ago is what should be done today. Of course, we told him in half a dozen different ways—the National Party members told him also—that this unnecessary restriction would create difficulties and obstacles in the administration of the Act and that it ought to be changed.

Having said that there was no logic in the Opposition's proposal two years ago, the Minister in his second reading speech last week dropped pearls of wisdom as he outlined the purpose of this fairly brief but very significant change to the legislation. On Wednesday, 4 August 1982 at page 2055 of *Hansard* the Minister said—

The first problem encountered is basically one of interpretation involving section 7A (1) (c) (i) of the Act which stipulates that to be eligible for assistance under the capital establishment assistance scheme, an

applicant's proposal must relate to a "new business" engaged in industry.

He leads from the chin today and says the Government has run into trouble with interpretation; precisely the point that was made by Opposition members and National Party members almost two years ago. It seems it was sheer obstinacy that prevented the Minister from accepting the logic and common sense of our argument. At the time we suggested that there would be difficulties and obstacles in administering the Bill. The Minister, in that same second reading, said—

Difficulties have arisen also under the existing legislation from the inconsistency which exists currently in respect of the competitive provisions of the guarantee scheme and the capital establishment assistance scheme.

Is it not any wonder he was fairly sheepish in his second reading speech?

My final quotation of the words of wisdom in his second reading speech is as follows—

It is considered also that the use of the word "competition" in the provisions under both the above schemes is too restrictive—

While we use the words, "obstacles", "difficulties", "restrictions" and "inhibitions", we could almost have written his second reading speech for him two years ago, but, as Minister in charge of this Bill, he was not prepared to accept that it was possible that a logical amendment from the Opposition would improve the quality of the legislation. The quote continues—

—and does not provide for situations where there may not be an actual conflict of interest between competing firms for example because of the capacity of the market to absorb another supplier.

We drew that specific example to the Minister's attention and yet, in 1980, he said the amendment was indefensible. We warned him that as surely as night follows day it was inevitable, if he were going to stick to his guns, that he would have to bring the legislation back to the House to seek the approval of the Parliament to amend it.

I conclude my remarks by indicating to the House that it would be fairly inconsistent of the Opposition not to support this particular proposition. After all, it is in the same spirit that the substance of the Government's initiative in 1980 borrowed very heavily from the Australian Labor Party policy that the substance of this amendment today borrows very heavily from the comments and the observations made by members

on this side of the House when the matter was debated in November 1980. I emphasise, not only to this particular Minister, but also to all his colleagues, that this is a direct reflection on the Parliament itself. It is a clear-cut example of how the Westminster system can go haywire and it is obvious that the reason good sense did not prevail in 1980 was ministerial obstinacy.

The Opposition predicted that within a short space of time the legislation would be back before the House with the Minister seeking approval of the Parliament for amendments. I guess that almost two years can be qualified as a short period of time as far as the life of Statutes is concerned. The Opposition supports this amendment.

MR WATT (Albany) [3.09 p.m.]: During the Address-in-Reply I spoke about the Industry (Advances) Act and commented that there were a number of difficulties in achieving what was the best for industry. It would be fair for us all to acknowledge that just about every situation that comes before the Government for consideration is perhaps different and, therefore, it is very hard to try to establish any one set of guidelines in the Act that would be applicable to every situation.

While there is merit in what the Deputy Leader of the Opposition has said, and may have said a couple of years ago, the fact is one cannot turn back the hands of time—what is done is done. The Opposition should have been prepared to say that it was right and it should have commended the Government for bringing this Bill before Parliament.

The sorts of problems identified by the Minister in the very difference of a single word in industry versus business demonstrates the difficulty that can occur when one gets down to the nitty gritty of legal documents. They become the subject of changes once a person starts dealing with some of the boffins in the Department of Industrial, Commercial and Regional Development and the Treasury Department. However, this was not the sort of thing to which I was referring in the Address-in-Reply when I commented on how difficult it was having applications for assistance processed and processed speedily. I suggest that anything that can be done to tidy up this Act would be acceptable. I hope further amendments to this Act will come before this Parliament from time to time to enable this scheme to work more efficiently.

I must confess that I get tired of the Deputy Leader of the Opposition continually harping about the Government's pinching the Opposition's policies. He said that about the small businesses

legislation, and he knows full well how long it would have taken his party to formulate such a policy. To suggest the two policies came out within a day or two of the release of the Opposition's policies—

Mr Bryce: That was not the reason at all. Yours was coincidentally the same.

Mr WATT: I have commented about this before. The Deputy Leader of the Opposition knows a number of people contributed to the formulation of that policy. It did not happen overnight as he suggested. As far as the Government's borrowing the Opposition's policy is concerned, it would be a ludicrous situation.

I support the Bill and I hope it will be an ongoing thing that this Act is amended from time to time. I would be happy to see an amendment come before the Parliament every year.

MR PEARCE (Gosnells) [3.14 p.m.]: I join the Deputy Leader of the Opposition in saying, "I told you so" to the Minister because at the time it was before the Parliament it was not, as the member for Albany suggested, some type of minor matter which needed two years of research. On the evening of Wednesday, 26 November 1980, the member for Ascot and I went through the Bill, chapter by chapter, verse by verse, and word by word in an endeavour to point out that the legislation was not correct. It has now become evident by the amendment before the House that there is a fault in the legislation. The Bill before the House is a result of the Minister's not knowing the difference between the word "and" and the word "or". Subsequently, the Minister told the House at the end of the Committee debate the following—

I will not debate the matter any further because I have already responded to the member for Ascot and the member for Gosnells and explained the basis for my advice. I assure the Committee I would much prefer the advice of my department and Crown Law officers to that of the member for Gosnells or the member for Ascot.

Yet, the fact of the matter is that the member for Gosnells and the member for Ascot were right and the departmental officers and officers of the Crown Law Department were wrong—that is, if it is a fact that those officers were consulted on the point raised by the member for Ascot and me.

In the debate two years ago, I put the proposition to the Committee that the Minister perhaps had not consulted with his advisers at all and that the draft had come before the Parliament without their knowledge. At the time the Minister was a new Honorary Minister and he

said that he had consulted with his advisers, despite the fact that it was not true. I do not think he did consult with his officers because it was obvious to me and to the member for Ascot that the legislation was wrong. One did not have to be a QC to see that there was something wrong with it. The member for Ascot and I are not QCs, but we were able to see the fault and put forward amendments accordingly.

On that occasion the Minister resisted these amendments, and, as I pointed out, refused to take the opportunity in the House to fix the matter so that the Act would work properly. That gives the lie to the proposition put by the member for Albany, and the Minister for Education, by interjection, that the interest of the Opposition in small business was born on 26 November 1980, 2½ years prior to an election. We were seeking to make sure that industries were not denied assistance because of faulty wording. I challenge the Minister to respond to the question as to why it has taken two years for his department and his advisers, and presumably Crown Law, to realise there were deficiencies in the legislation when the member for Ascot and I were able to discover them in two hours and explain them to the Committee.

Mr Clarko: It must have been very simple for you to work it out.

Mr PEARCE: The Minister for Education should read the letters to the editor in the *Daily News* tonight. He will find some fascinating correspondence.

Mr Clarko: How did you go yesterday when your argument on defence was ruined by one of your own members an hour later?

Mr PEARCE: The Minister should look at the *Daily News*.

Mr Clarko: Did your mother write in?

Mr PEARCE: No matter how much members on the Government back benches may make jokes, we were right and they were wrong. Why has it taken two years for the situation to become apparent? Does this mean industries have been denied assistance for the last two years because the advice given to the Chamber by the member for Ascot and me was ignored by the Minister and his office? Do things move so slowly that no advances have been made or the matter has not been reviewed for two years? What has been going on down there for the last two years? If the answer is, "Nothing" or, "Not enough", more should be done. The Opposition is interested in small business. It is one of the large employers of labour, not only in Western Australia, but also throughout Australia.

We understand in a way that the Government does not that small business needs assistance and that small businessmen are not greatly committed to the idea of open competition. One only has to speak to a few of them when they get into trouble with large businessmen to see how much they like Government action to ensure that small business gets a fair go.

Mr Rushton: Socialists like big business so they can close it down.

Mr Shalders: Why does your policy say it is going to compete with business?

Mr PEARCE: Which small business area does our policy say we intend to enter?

Mr Shalders: Read your policy.

Mr PEARCE: Name one small business area.

Mr Shalders: I have a copy of your policy; I will circulate it.

Mr PEARCE: Do not circulate it. Tell me now one area where Labor policy says we will compete with small business. The Minister cannot name one.

Mr Shalders: I have a copy.

Mr Bryce: We will send you a copy of our small business policy.

Mr Shalders: Not only does it say that you are going to compete, but also it says that where necessary it will supplement private enterprise.

Mr PEARCE: Name one area where we would enter into competition with small business.

Mr Shalders: That is what business wants to know. At present the policy is all-embracing.

Mr PEARCE: We do not intend anything in that area. The silence of the Minister is even more eloquent.

Mr Jamieson: One of the small business areas we want to take over is the State Housing Commission.

Mr PEARCE: We are constantly being approached by small business as individuals or in groups.

Mr Coyne: You have been approaching them.

Mr PEARCE: They have been ringing my office at the rate of two or three a week.

Mr Brian Burke: The member for Darling Range may laugh, but he would be surprised. Of course small businessmen would not ring him; he would be asleep.

Mr Spriggs: Tell me how you would line up small business with the 38-hour week.

Mr Brian Burke: Put that on notice.

Mr PEARCE: I am not surprised that small business people are not ringing the member for Darling Range. There are several in his electorate and they have rung me already. The point I was making is that the member for Ascot and I were right two years ago, and it has taken that long for the Minister to realise the truth of what we said. It is difficult to avoid the conclusion that in those two years people have missed out on assistance that should have been given. If that is so, it is a case of the then Honorary Minister's stubbornness depriving those industries of assistance they might have received. The Minister hung on for two years to save face. The member for Ascot and I are just as happy to be vindicated a great time after we made our views known, as we would be if it were a matter of only days afterwards, but it is a matter of considerable regret and shame that people may have missed assistance because of the Minister's desire to save his face and skin.

MR McPHARLIN (Mt. Marshall) [3.22 p.m.]: It appears from the comments that have been made that Opposition members may have gained a point or two. The smile on the face of the Deputy Leader of the Opposition appears to suggest that. I remember speaking from the Opposition benches some years ago when at times we put sensible amendments to Bills, but they were rejected.

Mr Bryce: It will be different next year.

Mr McPHARLIN: Our amendments were much better than those presented by the Government at the time.

Mr Bryce: It will be different next year.

Mr McPHARLIN: I commend the Minister for bringing this measure forward. All members have had approaches from small business for assistance. I have had a number and have forwarded them to the Minister, and in most cases they have received favourable consideration. Small businesses in country towns have wanted to expand and make their business houses attractive so they can keep alive. Last week there was a seminar in one of my towns which centred around what the future held for some of the smaller country towns. The topic was, "A future or a funeral?" Professor Martin Webb from the University conducted an extensive survey using 16 of his students to ascertain the requirements of certain areas to keep their towns going and the districts served by small business. One of the aspects referred to was the assistance needed, and one or two more businesses may be coming forward for assistance under this proposed amendment to the Act.

I support the measure before the House and if, as the Opposition claims, there has been some delay, I do not think it has affected the administration of the Act. I cannot see that it has, and every time I have spoken to the department and the Minister I have received a ready response. The fact that the amendments were not forthcoming earlier has not detracted from the administration of the Act.

MR MacKINNON (Murdoch—Minister for Industrial, Commercial and Regional Development) [3.25 p.m.]: Firstly, I would like to thank members for their support of the Bill. Secondly, I would like to say to the Deputy Leader of the Opposition that I share his disappointment—in none of his comments today did he congratulate the Government on making this decision.

Mr Wilson: You supported yourself sufficiently.

Mr MacKINNON: I reject a couple of the points that he made early in his comments, as I did last time we debated this issue. Our policies in relation to small business and our incentives for industry in no way have been taken from the Opposition's policies.

Mr Bryce: They are just strangely similar.

Mr MacKINNON: If that were the case, I would hope that the Opposition would be laudatory in its support of the Government's policies in this area. As I will say when we defeat the motion relating to small businesses moved by the Deputy Leader of the Opposition, if the actions we have taken in this area are allied so closely to the Opposition's policy, I hope it will be loud in its support of what we have done.

Mr Bryce: Are you going to support our motion for a Select Committee?

Mr MacKINNON: We also heard the Deputy Leader of the Opposition say that both parties have neglected small business for a long time. I agree that the Australian Labor Party has neglected small business forever and a day. As the Minister for Education correctly said, the ALP renews its pre-election interest every three years, only to forget about it soon afterwards.

Mr Bryce: When did your leader mention it in his policy speech?

Mr MacKINNON: The member for Gosnells asked us to pick out a couple of areas in which the ALP has a direct interest. I would like to refer to the State platform of the ALP which was operative from 27 August 1980. This clearly gives us an indication of exactly where that interest is, and I would like him to explain to bodies such as

the Perth Chamber of Commerce and others to whom the ALP is making overtures at the present time, exactly how a policy such as the following will assist small business—

A Labor Government will—

be committed to the principle that, wherever possible government contracts will be carried out by government labour, otherwise such work will be done by contractors using only a day-labour workforce.

That policy would be very supportive of the small business sector, I do not think! I would like all the people in the business community in Western Australia, and especially those who undertake work for the State Housing Commission and other Government departments, to take close note of it.

Mr Shalders: That should be a big help to them—it would really help private enterprise.

Mr MacKINNON: It really would be supportive of private enterprise in this State. I would like to give another example of the way in which this so-called Opposition would be very supportive of the small business sector. The Opposition's policy has not changed; its platform is still operative.

Mr Pearce: It is being reviewed the week after next.

Mr MacKINNON: Another part of the platform reads as follow—

These new public enterprise corporations will not be confined to those areas for which local private enterprise lacks the capacity, but will operate where possible and appropriate in key profitable industries . . .

I hope that the business community of Western Australia—

Mr Bryce: Why don't you now read to the House our small business policy?

Mr MacKINNON: The small business policy of the ALP is only a facade.

Mr Bryce: Oh, I see; he does not like it, so it is a facade.

Mr MacKINNON: It is an attempt to fool the voters about the real ALP platform. I would like the Opposition to tell me what reigns supreme in the ALP—the platform or the policy.

Mr Bryce: What's the difference?

Mr MacKINNON: There is a distinct difference, as members know. The platform is created by the ALP Conference for its members to implement if ever they get into Government.

The amendment contained in this Bill is important. As the Leader of the Opposition said on the last occasion we amended this Act, it was a major change. At that particular time we rejected the Opposition's amendment for a good reason which was that the major thrust of those initiatives was to be administered largely by the then Department of Industrial Development and Commerce and not by the Treasury. We believe that to make a major change such as that proposed at the time would have been far too difficult for the department and officers to handle as well as the change in administration. So we rejected that proposal.

The amendment proposed in this Bill is different; it takes into account the points raised by the Opposition at that time. I acknowledge that we have been able to administer the Act safely, comfortably, and quite favourably, and for the reasons outlined we feel it is now the time to make a change. We are prepared to do that, despite the fact that we said three years ago that it was not the appropriate time. We are big enough to admit that the time has now arrived for change, and despite the fact that the Opposition does not want to acknowledge that we are making this change, we thank it for its support.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

WESTERN AUSTRALIAN INSTITUTE OF TECHNOLOGY AMENDMENT BILL

Second Reading

Debate resumed from 4 August.

MR PEARCE (Gosnells) [3.33 p.m.]: I indicate at the outset that the Opposition does not intend to oppose the legislation before us which has, as its main design, confirmation of the establishment of the WA School of Mines at Kalgoorlie as a branch of the Western Australian Institute of Technology.

It would not be right for me to let this Bill pass without pointing out the convolutions of Government policy with regard to the School of Mines, the way in which the uncertainty of its future over the last year or so has had a detrimental effect on the WA School of Mines, how the Government has attempted to pull itself out of the mess it got into a year or so ago, and

the very unfortunate effect this had on the Eastern Goldfields Technical College.

Members may recall that under the previous Minister for Education an effort was made to extend the Government's commitment to community colleges, to create a new community college in the goldfields, not from scratch as happened with the two community colleges in the Pilbara, but by amalgamating two existing institutions: the WA School of Mines and the Eastern Goldfields Technical College, both of which had had a long and separate existence on the goldfields.

The motive for this amalgamation was prompted by the belief that the School of Mines was a flagging institution during a downturn, particularly in the goldmining industry, and it was necessary to make some decision about the future of the WA School of Mines. That decision was to amalgamate. It was opposed at the time by almost all the people involved, including a good part of the Kalgoorlie community involved with the School of Mines. It certainly was opposed unanimously by everybody who had anything to do with the Eastern Goldfields Technical College.

The previous Minister for Education let slip on one occasion—by a slip of the tongue, I think, which I pounced on very rapidly—that the move had been brought about not at the request of the people of the local community, but at the request of the mining companies which were active in that area.

The mining companies believed that a greater status had to be given to the School of Mines. That came about, in part, because the companies felt they might be obliged to carry some of the burden of keeping the School of Mines going since they were among the beneficiaries of the graduates of the school.

After the to-ing-and-fro-ing in that business, the end result is that everybody has realised that if the School of Mines is not to be viable as a separate entity, the best place for it is under the wing of another, larger academic institution; and the Western Australian Institute of Technology leapt to mind for the obvious reason that the WA School of Mines had a link with the WA Institute of Technology for many years. I am not talking about 50 years, but the link existed for close to a decade.

The move has been made to drop the idea of a combined community college in the eastern goldfields consisting of the School of Mines and the Eastern Goldfields Technical College. Under this legislation, the School of Mines is being brought under the control of the Western

Australian Institute of Technology. However, the Eastern Goldfields Technical College is not to go back to the Technical Education Division of the Education Department.

The only reason that one can imagine for this move is, in fact, to pretend that there was justification for the Government's policy in the first place. Let me say firmly to the Minister for Education that if it is his intention to persist in the Kalgoorlie region with a community college which is actually a technical college in every respect with regard to courses, staff, and everything else, he will have considerable difficulty in staffing it.

Even when the combined arrangement was being set up, the Government found it very hard to recruit technical lecturers for the Eastern Goldfields Technical College because, by being outside the ambit of the Technical Education Division of the Education Department, the people would lose the advantages of transfer and promotion that they would have if they were in a larger system. They would be obliged to take one-off jobs, with no guarantee of transfer anywhere else and no guarantee of promotion except within the institution. In addition, they would have to live permanently in Kalgoorlie. Of course, many people find that is a very good thing to do; and people who have worked within the education system are among those.

Mr Clarko: Say this very carefully!

Mr PEARCE: The people in Kalgoorlie understand the situation perfectly well. The education system in the eastern goldfields has depended, since the turn of the century, on people coming into the area and spending quite some time there, in many cases staying for the rest of their lives, but in other cases moving on to higher positions in the Education Department. In fact, if one looks around the Education Department, one finds almost all teachers have spent time in the Kalgoorlie region and have found it a most enjoyable and enlivening experience in their lives. I spent three years there and found it to be a very useful experience.

I know that if we were to suggest that country towns could find the staff for colleges of this type within their own borders, we would be making a grave error. That is not just my prognosis of the situation; it is a fact because when the original proposal to combine the Eastern Goldfields Technical College with the School of Mines in a community college in Kalgoorlie was put forward, almost all the technical college staff immediately sought transfers away from the Eastern Goldfields Technical College. The operators of

the community college could not have replaced many of those staff adequately. The net result would have been that certain courses in technical education would have been lost.

If the Minister persists in attempting to keep the Eastern Goldfields Technical College separate as a community college, that problem will recur next year; and it will be compounded year after year. In the end, the college will have to move back to the technical division, anyway. As it is, the community college will have to draw heavily on the Technical Education Division of the Education Department for its support in terms of advisory teachers, superintendents, materials, and curriculums. In the end, the whole thing will have to be run by the Technical Education Division; and in those circumstances it will not be run as a separate community college.

The only reason that one can discover for leaving the technical college as a community college is simply that the Government wishes to pretend that its policy of last year was not as disastrous as it was. Instead of moving back to the old situation, the Government is trying to pretend that, somehow, improvements have been made to the situation, and that last year's total disaster was not a total disaster. However, the Government should admit honestly that it was a total disaster and return to the old situation, perhaps with the firming up of links between the School of Mines and WAIT. Otherwise, the Minister for Education next year will be doing what the Minister for Industrial, Commercial and Regional Development was doing a few minutes ago; that is, trying to fix things up in the way that the Opposition said last year they ought to have been fixed.

MR I. F. TAYLOR (Kalgoorlie) [3.40 p.m.]: The Bill before the House gives me, as the member for Kalgoorlie, an opportunity to review the history of the School of Mines and examine where it may be going as a result of the decision taken recently by the Government, and which is enshrined in the legislation before the House.

As I understand it, the idea for a school of mines was first mooted in an editorial in the *Kalgoorlie Miner* in 1896 in which the need for education in the more technical mining skills was suggested. The idea was that the training should take place in a town such as Kalgoorlie. As a result of the editorial and pressure placed upon the Government by the mining industry, the then Government decided to establish a committee to investigate the possibility of placing a school of mines in the goldfields.

As a result of the recommendations of the committee, the School of Mines was established, which just goes to show that not all committees are cul-de-sacs into which good ideas are lured and then strangled. As a result, the Government decided to establish the School of Mines at Coolgardie.

The reaction of the people of Kalgoorlie to the establishment of the School of Mines in Coolgardie was quite furious; and soon the Government decided—in 1903, in fact—to re-establish the School of Mines in new premises in Kalgoorlie. It has remained in those premises, with some additions, to this day.

At the beginning of 1903, with the establishment of the School of Mines at Kalgoorlie, an advisory committee from industry was formed. The school was placed under the control of the Mines Department, with an advisory board made up mainly of people who were involved in the mining industry.

At the time, the School of Mines worked in close co-operation with the Perth Technical College on matters such as courses and examinations. In 1930, moves were made to bring the School of Mines under the control of the Education Department. Those moves were opposed fiercely by the people of Kalgoorlie, and by the mining industry. However, the Government decided that it would place the educational policy of the school under the auspices of a superintendent of technical education, and that the school would remain under the control of the Mines Department.

The school's high standard in terms of technical excellence continued at that time. In fact, it was one of the leaders in the mining, investigation, research, and experiments with the flotation process for the sulphide-telluride ores found on the Golden Mile. As a result of the development of the flotation process, the cost of the treatment of ore on the Golden Mile was cut quite dramatically. It resulted also in a much lesser need for firewood to feed the furnaces for the roasters required in the eastern goldfields. That resulted in a few more trees around the Kalgoorlie area than we would have had had the process not been developed.

In the 1930s, the School of Mines and Perth Technical College combined forces to provide correspondence courses in mining skills that were needed by students in isolated areas. Branches of the School of Mines were opened at Wiluna, Norseman, and Bullfinch. However, since that time all three branches have closed, the last

branch to close being that at Norseman in the 1960s.

It is interesting to note that last year the then Premier opened a new branch of the WA School of Mines in Collie and I understand that branch is operating very well.

In the late 1960s the Jackson committee was asked to examine the future of tertiary education in Western Australia. As part of that examination the Jackson committee looked at the current and future standing of the WA School of Mines in Kalgoorlie. The committee advised the Government that the WA School of Mines should become part of WAIT and, as a result, in 1968 the Brand Government created the Tertiary Education Commission. Action was commenced at that time to remove the WA School of Mines from the control of the Mines Department and make it part of WAIT.

In 1975 the WA School of Mines was incorporated in WAIT and the newly-created School of Mining and Mineral Technology was established at the WAIT campus in Bentley.

In 1976 a bombshell was dropped on the people of Kalgoorlie when the Partridge committee on post-secondary education in Australia recommended that the tertiary level courses of the WA School of Mines in Kalgoorlie should be transferred to the main WAIT campus in Perth. The people of Kalgoorlie, the mining industry, and the students and staff of the School of Mines at Kalgoorlie were very angry with this recommendation and, to the best of their ability, fought the recommendation and plan to transfer the WA School of Mines to the WAIT campus.

As a result of those strong protests, the Government back-tracked on that recommendation and accepted the suggestion of the Post Secondary Education Commission to maintain and develop the WA School of Mines as part of the proposed federation of post-secondary education institute in Kalgoorlie.

This federation embraced both the WA School of Mines and the Eastern Goldfields Technical College. The federation was brought into being in 1979 with a council as an advisory body. This council was able to report to the Minister, WAIT, and the Technical Education Division on all educational matters which were appropriate for the various responsibilities of the Minister and the other groups.

In November 1980 the then Premier (Sir Charles Court) announced the intention to establish a self-governing post-secondary education institution in Kalgoorlie. This self-governing institution was to comprise the Eastern

Goldfields Technical College and the School of Mines. As a result of the decision to establish a self-governing institution, the Government set up an interim council to work out the best way in which it could be put into effect.

The idea was that the self-governing institution would come into being on 1 January 1982. Of course, many members would be aware that, once again, the people of Kalgoorlie and the School of Mines decided they were not going to have anything to do with the idea of a self-governing institution. Indeed, I believe it is correct to say real problems existed in relation to the establishment of a self-governing institution, the major one being that the Commonwealth Tertiary Education Council refused to recognise the proposed institution as a college of advanced education.

Very real difficulties existed in relation to the staffing of the actual institution and I believe it is correct to say those difficulties are still to be seen today at the School of Mines. It is the task of the new board which is to be announced by the Minister of this Government, and the Minister of the Labor Government which will come into office in 1983, to ensure those staffing difficulties are overcome.

As a result of the protests from the people at the School of Mines and the Kalgoorlie community, it was decided to delay the implementation of that decision and the Government reformed the interim council and requested it to take another look at this situation. The interim council then made a recommendation to the Minister that the School of Mines in fact be part of the WAIT campus as was envisaged originally and as had been proposed some time previously.

I believe those developments indicate to this Government and to any future Government that, should it wish to tinker with the School of Mines in Kalgoorlie, it should be very careful to make sure that that tinkering strengthens the School of Mines and does not weaken it. It should also make sure that any tinkering which takes place ensures the School of Mines becomes an even more important institution of practical excellence on the goldfields rather than in Perth.

In this legislation the Government has not taken the opportunity to ensure mining education is strengthened. The Minister has announced that the board will be able to advise the WAIT council as to the developments in mining education as they relate to WAIT's educational platform. However, the Minister could go further than that and suggest that the board of the WA School of

Mines could advise the Minister on mining education throughout the State, both at tertiary and secondary levels, because I hope the board would have some experience and expertise in that area. It is to be hoped it will be the sort of board which can give the Minister good advice on mining education generally.

That brings me to the whole question of mining education today. It is my contention that it is being strangled in the area of funding. It is important that, regardless of the section of education in which we get involved, value for money spent should be obtained. I do not believe we get value for our money when resources are spread too thinly. It would seem the resources available to mining education in this State today are being spread too thinly.

Three institutions now offer courses in mining education in this State. They are the University of Western Australia, Murdoch University, and WAIT. Each of those institutions offers widespread courses on mineral sciences. The University of WA offers courses on geology, mining engineering—I understand that course is under review at the present time—and geophysics. WAIT offers courses in geology and metallurgy. Murdoch University offers courses in extractive metallurgy and mineral sciences, and various correspondence courses over a wide range of mining developments.

These three institutions vie and compete with each other for staff, students, and funds. As a result, they strangle each other in the areas of available funds, staff, and students.

We need a major institution to cover mining education. Such an institution could work together with another major body, such as WAIT, which has a wide range of educational subjects available to it.

Taking the international position, two of the major mining institutions are the Colorado School of Mines and the Royal School of Mines which is attached to the Imperial College in London. Both of those institutions concentrate on mining education, and I understand that not only in America, but also in the United Kingdom a large portion of the funds available to that area of education is directed to those institutions. As a result, those institutions have a very high standard of educational and practical excellence and, should the Government decide to allow it, the same position could obtain at the WA School of Mines.

It would be far more satisfactory to have one major institution providing mining education than to have the University of WA, Murdoch

University, and WAIT competing with each other for funds.

The School of Mines at Kalgoorlie is in an ideal location for students who wish to undertake a course in mining. It is an excellent choice in terms of its geography, geology, and proximity to the mining industry, mining treatment plants, and mining development. In addition we should realise the importance of living in a mining environment to students undertaking such courses. It is one thing for someone to live and work in Perth while studying mining courses, but it is quite a different thing for a person to live 500 miles away in the bush without all the niceties of life which are available in Perth.

Students who come to live and study in Kalgoorlie understand the way in which mining towns operate. They also get to know the way in which the people who live there feel and think. That is a very important aspect of mining education and it certainly sorts out the sheep from the goats as far as some of these students are concerned.

The board proposed to be established under this legislation must be very strong and forceful. One of the main reasons for there being a board of this nature is that WAIT is an educational octopus and, given the opportunity, it will swallow up and strangle the WA School of Mines. Since the establishment of WAIT in 1967 there has been a four-fold increase in student numbers. During the same period there has been a six-fold increase in teaching staff numbers and a nine-fold increase in administrative staff numbers. When it comes to empire building, WAIT would leave any Government department well and truly behind. We have to be very careful indeed that the WA School of Mines is not swallowed up by WAIT.

The School of Mines is headed by Sir Laurence Brodie-Hall, a person who has the very best interests of the school at heart, he being an ex-student of the school. He will not be there forever, so it is important when appointing this board that the Minister takes full note of the people who are available in and around Kalgoorlie who can work on it and who have the interests of the school at heart almost above all else. If we have a weak board which is not prepared to take on the WAIT council when necessary, the School of Mines will be finished.

I support fully the remarks made by the member for Gosnells on the proposed community college in Kalgoorlie. The establishment of this college could entail some difficulties, mainly with staffing. I do not believe sufficient consultation was carried out with the Teachers' Union or the

staff of the Eastern Goldfields Technical College to make sure their best wishes were met with the proposed establishment of the community college.

The decision to tie the School of Mines to WAIT is a very good one and one the Minister almost inevitably had to make. At the same time, he threw in the decision about the Eastern Goldfields Technical College which was not expected and with which we will have to come to grips over the next year or so. I trust that the people in my electorate will not have to face the difficulties of the last year which surrounded the future of the School of Mines with the creation of this new community college. I support the Bill.

MR GRAYDEN (South Perth) [3.57 p.m.]: I would like to comment on one aspect of this Bill which concerns the composition of the board. The board will be a fairly representative one and shall consist of the following persons—

- (a) a person appointed by the Minister to be the chairman of the Board;
- (b) seven persons appointed by the Minister representative of education, the professions, industrial, commercial, or other community interests;
- (c) the person for the time being appointed to be the chief executive officer of the branch;
- (d) two persons appointed by the Council, but not more than one of those persons may be a member of the full time staff of the Institute;
- (e) one person who is a member of the full time academic staff of the branch elected by members of that staff in such manner as is prescribed by Statute;
- (f) one person who is a member of the full time salaried staff (other than the academic staff) of the branch elected by members of that salaried staff in such manner as is prescribed by Statute; and
- (g) one person who is for the time being an enrolled student of the branch and who is elected by enrolled students of the branch in such manner as is prescribed by Statute.

That is a reasonably representative board, but it appears to me that specific mention should have been made of the Director of the Western Australian Institute of Technology, or his nominee.

By way of a parallel one could point to any big company in Australia, such as BHP, where the general manager is an *ex officio* member of the various subsidiaries of the company. That would

apply to all large companies, and it would apply also to political organisations.

Leave to Continue Speech

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

Leave granted.

Debate thus adjourned.

QUESTIONS

Questions were taken at this stage.

House adjourned at 4.30 p.m.

QUESTIONS ON NOTICE

FUEL AND ENERGY: ELECTRICITY

Voltage

1002. Mr GRILL, to the Minister for Fuel and Energy:

- (1) What is the estimated cost of converting the State Energy Commission power system to 240 volt from 250 volt?
- (2) Would there be any saving to Western Australian consumers if such a conversion took place?
- (3) Would there be any estimated loss of revenue to the State Energy Commission if the conversion took place?
- (4) Is it possible to estimate the approximate loss of revenue?
- (5) Has he seen the reports where it is alleged that the Pacific Gas and Electric Company of San Francisco and the Con Edison Power Company of New York indicated that tests have shown that for each one per cent reduction in voltage there is a one per cent reduction in consumption?
- (6) Have the above-mentioned tests been referred to the State Energy Commission for analysis?
- (7) Do those results appear to be accurate?
- (8) (a) Does the State Energy Commission intend to convert its system from 250 volts to a lower voltage at any time in the future;
(b) if so, what is the likely date?

Mr P. V. JONES replied:

- (1) All aspects of converting from 250 volt to 240 volt are currently being reviewed. The estimated cost of conversion is not yet available.

It should be realized that a reduction from 250 volt to 240 volt in supply voltage results in a reduction of about eight per cent in the amount of power which could be supplied from a distribution system for any given spacing of local transformers and conductor size.

To compensate for this effect there needs to be a significant reinforcement of the distribution system and a substantial expenditure of capital—some immediately, and some over a period of years.

The commission has judged, when a change has been considered from time to time, that the benefits did not justify the change. The costs of a change in voltage are again being reviewed as part of an overall re-assessment of the optimum future development of the commission's system, including such related matters as the spacing of transformer substations, the degree of interconnection, and the size of conductors—of all these factors, taking due account of the increasing use of electricity by individual customers as the standard of living increases.

- (2) I am advised that there is unlikely to be any saving to Western Australian electricity consumers if a conversion took place. For most applications, the amount of energy consumed is changed very little by a permanent reduction in voltage. For example, in the case of storage water heating, the appliance consumes less electricity in a given period of time, but most operate for a longer period. For other appliances such as space heaters, the reduction in the amount of heat given out if the voltage is lowered will be offset in most cases by the tendency for customers to turn their appliances to a higher heat setting to achieve the same comfort level.

In almost every application, there is a reduction of efficiency with reduced voltage, hence a reduction in voltage would not give customers better value in terms of their electricity needs. There is the additional effect of the increased cost of the necessary reinforcement of the distribution system to be taken into account.

The commission is mindful, however, that in some cases there is a reduction in the life of equipment if it is not designed for the correct voltage. The most marked of these is incandescent lights. The commission recommends that customers purchase 250-260 volt lamps, and encourages stores to stock electric light bulbs designed for the higher voltage.

- (3) The commission's current review will take account of the effect of conversion on energy consumption. However, it is expected, on the basis of work undertaken to date, that there will be no significant effect on revenue.
- (4) An assessment of the effect on revenue is being made as part of the review but, as indicated above, no significant effect on revenue is expected.

(5) and (6) Yes.

- (7) There is no indication of inaccuracies in either the method or results of the tests reported by the Pacific Gas and Electric Company or the Con Edison Company as they apply to their systems. However, the general conclusions do not agree with other work in this area such as reports by the American Electric Power Company, where it was found that no meaningful fuel savings occurred on their system for a voltage reduction.

- (8) (a) It is part of the commission's policy to move to standard voltage, but to do it in an orderly way such as to minimise the overall cost to the community.
- (b) The situation will be re-assessed when the results of the latest review become available later this year.

SUGAR INDUSTRY

Ord River

1006. Mr EVANS, to the Minister for Agriculture:

- (1) From what sources has the Government received submissions regarding the establishment of a sugar industry on the Ord River?
- (2) Has a decision been taken as to which proposal(s) shall be subjected to a feasibility study and, if so—
 - (a) which proposal(s);
 - (b) when will such feasibility study commence and conclude?
- (3) Which proposals received depend on—
 - (a) grain sugar;
 - (b) ethanol;
 - (c) both?

Mr OLD replied:

- (1) and (3) This information is confidential at this stage.
- (2) No.

MEAT

Inspection Fees

1009. Mr EVANS, to the Minister for Agriculture:

What is the total charge for the inspection of meat made at—

- (a) Waroona abattoirs;
 - (b) Harvey abattoirs;
 - (c) Linley Valley abattoirs,
- for (i) carcasses used on the domestic market;
- (ii) carcasses which are exported?

Mr OLD replied:

- (a) to (c)

	FEES (\$ per carcass)							
	Cattle		Calves		Goats		Pigs	
	Domestic	Export	Domestic	Export	Domestic	Export	Domestic	Export
Waroona	2.04	1.80	0.63	0.60	0.21	0.18	0.75	0.60
Harvey	2.20	1.80	0.65	0.60	*	*	*	*
Linley Valley (Smorgons)	4.20	1.80	0.90	0.60	0.48	0.18	*	*

*Not applicable

FISHERIES

Salmon

1010. Mr EVANS, to the Minister for Fisheries and Wildlife:

- (1) Has he received a request from the South-West Licensed Fishermen's Association requesting that salmon be removed from the classification as a food fish, so that they can be sold to the highest bidder?
- (2) If "Yes", does he intend to agree to the request of the association?
- (3) (a) If he does not intend to agree to the request of the association, does he intend to take any action which will ensure that these fishermen obtain the best price available for salmon; and
(b) if so, what form of action is proposed?

Mr OLD replied:

- (1) Yes.
- (2) The matter is receiving consideration and a decision will be taken as soon as all the relevant information is to hand.
- (3) See (2).

STOCK

Dog Attacks

1013. Mr EVANS, to the Minister for Agriculture:

- (1) How many attacks on stock by domestic dogs have there been reported in each of the past three years?
- (2) In how many of these reports were German shepherd dogs involved?

Mr OLD replied:

- (1) and (2) Records are not kept of attacks on stock by domestic dogs.

TIMBER

Mills: Retrenchments

1019. Mr EVANS, to the Minister representing the Minister for Labour and Industry:

- (1) (a) What timber mills in the south-west have retrenched employees in the last three months because of the downturn in the industry;
(b) how many men are involved in each case?

- (2) How many timber mills have reduced the number of hours worked per fortnight because of the industry downturn, and in which mills has this occurred?

Mr YOUNG replied:

- (1) (a) and (b) I have been advised that 12 employees were retrenched on 30 July at Gandy Timbers Pty. Ltd. and on 10 August a further 36 employees were advised that they are to be retrenched by Millars (WA) Pty. Ltd.
- (2) In co-operation with the unions concerned, six timber mills have reduced the number of hours worked. They are located at Greenbushes, Collie, Deanmill, Pemberton, Dwellingup, and Nyamup.

FISHERIES

North-west: Annual Catch

1026. Mr COWAN, to the Minister for Primary Industry:

- (1) In the years since Australia declared a 320-kilometre fishing zone what has been the estimated annual catch of all fish—excluding prawns and lobster—taken from north-west fisheries within the zone?
- (2) What proportion of this was taken by—
(a) domestic; or
(b) foreign vessels?
- (3) What are the major species of fish taken?
- (4) What are the estimated annual maximum sustainable yields of these species?
- (5) What statistical data was used to arrive at these yields?
- (6) Is the State responsible for the management of fisheries within the economic zone?
- (7) Have quotas been imposed on domestic or foreign vessels?
- (8) How are the quotas policed?
- (9) Are any of the fish processed in Western Australia?

Mr OLD replied:

- (1) The estimated annual catch of all fish species—excluding prawns and lobsters—from north-west fisheries is 19 500 tonnes.

- (2) Domestic vessels take approximately three per cent of the total annual catch and foreign vessels 97 per cent.
- (3) The major fish species taken depends on the fishing method. For the various fisheries in the area they are as follows—
 - (a) domestic—spanish mackerel, barramundi, threadfin;
 - (b) grill-netting (Taiwanese)—shark, tuna, spanish mackerel;
 - (c) pair-trawling (Taiwanese)—breams, snappers and emperors;
 - (d) tuna longlining (Japanese)—tuna.
- (4) The estimation of maximum sustainable yields of fish species requires detailed biological and statistical information which is generally not available for the species captured in the north-west. Therefore precise estimates of maximum sustainable yields cannot be made.
- (5) Answered by (4).
- (6) Fisheries management in the zone is undertaken as a co-operative arrangement between State and Commonwealth Governments. State legislation applies to three miles from high water mark and Commonwealth legislation applies outside this limit.
- (7) No quotas have been imposed on domestic vessels. Quotas do apply to Taiwanese pair trawling and gill netting activities.
- (8) Foreign fishing quotas are policed by—
 - (a) a requirement of the vessels operating in the fishery to regularly report their catches and position;
 - (b) Australian observers and inspectors who board foreign fishing vessels from RAN patrol vessels;
 - (c) inspections of vessels in port.
- (9) None of the fish caught by foreign vessels is processed in Western Australia.

"STATE REPORT"

Cost and Distribution

1031. Mr DAVIES, to the Premier:

- (1) How many copies of *State Report* have been issued?
- (2) How many copies of each issue are distributed?
- (3) How often is *State Report* issued?
- (4) What is the cost of printing each issue?

- (5) What is the cost of wages/salary for staff employed on each issue?

Mr O'CONNOR replied:

- (1) Eight.
- (2) Recent issues have had a print-run of 3 500. The first was 3 000.
- (3) Every week.
- (4) Production methods have been varied since the first issue in order to achieve the most efficient time involvement of public relations staff whose salary levels are higher than printers' levels. The production operation is now handling mechanical aspects previously done by public relations staff. Therefore, the cost of printing each issue has varied according to the method used and the print-run. The total production cost of the eight issues, including bromides, typesetting, paste-up, printing, folding, and delivery to the Premier's Department, was \$2 004.35.
- (5) This work is part of their normal function and is not separated.

TOWN PLANNING: MRPA

Eastern Corridor Steering Committee

1032. Mr GORDON HILL, to the Minister for Urban Development and Town Planning:

- (1) When is the study by the eastern corridor steering committee of the Metropolitan Region Planning Authority into the matter of better access to Midland from suburbs to the west expected to be completed?
- (2) Has the committee invited the public or local organisations to make submissions?
- (3) If "No" to (2), why not?

Mrs CRAIG replied:

- (1) It is expected that the study will not be completed before mid-1983.
- (2) No.
- (3) Public input will be sought at the appropriate stage.

RAILWAYS

"Prospector" Service

1033. Mr GORDON HILL, to the Minister for Transport:

- (1) Will he detail the costs involved in putting the *Prospector* into the Midland railway station platform?

- (2) Is any of the costing based on the use of secondhand material?
- (3) If "Yes" to (2), which material?
- (4) If "No" to (2), why not?
- (5) Are any of the costs based on the use of labour from the Midland railway workshops?
- (6) What modifications to existing lines and signals would be necessary to accommodate such a proposal?

Mr RUSHTON replied:

- (1) Westrail's recent examination on an incremental cost basis indicated that the minimum cost would be in the order of \$324 000 for permanent way track works and \$173 000 for signalling alterations.
- (2) Yes.
- (3) Recovered rail and signalling items and rehabilitated turnouts.
- (4) Not applicable.
- (5) No.
- (6) The modifications are too complex to explain to the member in the House. However, if he so desires I will arrange for him to discuss the modifications with appropriate Westrail engineers.

HEALTH: NURSING HOMES

Waiting List

1034. Mr BATEMAN, to the Minister for Health:

- (1) Is it a fact there is a waiting list for admissions to all nursing homes in the metropolitan area?
- (2) If "Yes", is it also a fact that many elderly people are suffering severe hardship as a result?
- (3) If "Yes" to (2), will he seek to have provision made in the 1982-83 Budget to assist local authorities which are interested to effect the construction of "C"-class hospitals in their locality in order to overcome this shortage of accommodation?
- (4) If not, why not?

Mr YOUNG replied:

- (1) No. Teaching hospitals have been notified of vacancies existing in nursing homes. Some advertisements advertising vacancies have recently appeared in the Press.

The member should be aware that research has shown waiting lists do not provide an indicator of need as persons may seek places on the lists of several institutions.

- (2) to (4) Not applicable.

CULTURAL AFFAIRS

Art Gallery: Country Tours

1035. Mr CARR, to the Minister representing the Minister for Cultural Affairs:

- (1) Further to his answer to question 974 of 1982 in which he revealed that all country tours by the WA Art Gallery have been suspended, will the Minister please explain how the Government justifies this decision?
- (2) What was the cost of country tours in each of the years 1979, 1980 and 1981?
- (3) What was the total allocation to the WA Art Gallery in each year since 1978-79?

Mr HASSELL replied:

- (1) The suspension of country tours by the Art Gallery of Western Australia in 1981-82 was undertaken to achieve reduction in staffing and expenditure made necessary by unforeseen reductions in the Commonwealth grant to Western Australia.
- (2) Country tours were undertaken by the education section of the Art Gallery. Their suspension allowed a reduction of staff by—

1 education officer
1 attendant artisan
1 carpenter

In addition to their wages with overhead costs and office services, the following sums were spent specifically on exhibition tours—

1978-79	\$5 272
1979-80	\$17 600
1980-81	\$16 914

- (3) Allocations to the Art Gallery of Western Australia from the Consolidated Revenue Fund are as follows—

1978-79	\$1 372 000
1979-80	\$1 874 000
1980-81	\$2 598 000
1981-82	\$2 808 000

CONSERVATION AND THE ENVIRONMENT

"Greenough Landscape Protection Area"

1036. Mr CARR, to the Minister for Conservation and the Environment:

Further to his answer to question 975 of 1982 in which he revealed that he had not received a copy of the "Greenough Landscape Protection Area" report, will he undertake to acquire a copy and have it examined by his department and himself, to determine what action, if any, is appropriate?

Mr LAURANCE replied:

Yes.

ELECTORAL: ENROLMENTS

Districts

1037. Mr PARKER, to the Minister representing the Chief Secretary:

Now that the rolls for each new Assembly district have been prepared by the Chief Electoral Officer, will the Chief Secretary advise of the current enrolment for each electoral district in the—

- (a) statutory area;
 - (b) the agricultural, mining and pastoral area; and
 - (c) the metropolitan area;
- in the redistributed seats?

Mr HASSELL replied:

The population of electoral districts and areas specified, including additions and deletions to 11 August 1982, are—

(a) Statutory Area

Kimberley	13 432
Pilbara	10 529
Gascoyne	3 824
Murchison-Eyre	2 256
	<u>30 041</u>

(b) Agricultural, Mining and Pastoral Area

Albany	8 440
Avon	9 290
Bunbury	8 216
Collie	8 430
Dale	9 336
Darling Range	8 547
Esperance-Dundas	9 271
Geraldton	9 003
Greenough	8 249

Kalamunda	8 523
Kalgoorlie	8 988
Katanning-Roe	8 967
Mandurah	8 864
Merredin	9 052
Mitchell	8 933
Moore	8 931
Mt Marshall	8 862
Mundaring	8 481
Murray-Wellington	8 983
Narrogin	9 039
Stirling	8 381
Vasse	8 989
Warren	8 109
	<u>201 884</u>

(c) Metropolitan Area

Armadale	16 148
Ascot	15 952
Balcatta	17 193
Balga	16 737
Canning	16 682
Clontarf	15 447
Cockburn	16 717
Cottesloe	16 646
East Melville	15 619
Floreat	17 980
Fremantle	15 078
Gosnells	16 072
Helena	15 932
Joondalup	15 918
Karrinyup	17 702
Maylands	16 151
Melville	17 280
Morley-Swan	17 628
Mt. Lawley	17 371
Murdoch	16 830
Nedlands	15 345
Nollamara	14 398
Perth	16 587
Rockingham	15 812
Scarborough	16 468
South Perth	16 428
Subiaco	15 859
Victoria Park	15 699
Welshpool	16 760
Whitford	16 064
	<u>490 503</u>

PRISONS: OFFICERS

Trade Union Training Authority Courses

1038. Mr PARKER, to the Minister for Police and Prisons:

- (1) Is it the case that the Prisons Department has indicated that it will

refuse leave to prison officers to attend trade union training authority courses where this involves the payment of any overtime to other officers?

- (2) Is it the case that a Mr Alec Greens, a prison officer at Fremantle Prison, was refused leave on this basis?
- (3) Does not this policy mean that, because of staffing levels in the department, and the nature of staffing needs, that virtually no prison officers will be able to attend trade union training authority courses?
- (4) Will he review these policies to allow prison officers to attend trade union training authority courses?

Mr HASSELL replied:

- (1) to (4) There is no prison officer employed at Fremantle Prison under the name of Mr Alec Greens.

All applications by prison officers to attend trade union training courses are governed by an overall Government policy initially established some years ago.

EDUCATION: PRIMARY SCHOOL

Beaconsfield

1039. Mr PARKER, to the Minister for Education:

Will he tell me what the current position is with regard to the provision of funds for—

- (a) subsidy to the parents and citizens association for the construction of a hall;
- (b) work to be undertaken to modify under-used classrooms;
- (c) minor works grant for the moving of a wall;

in each case in respect of the Beaconsfield primary school?

Mr CLARKO replied:

- (a) The building subsidy is granted on a dollar-for-dollar basis to parents up to a maximum payment of \$10 000.

- (b) and (c) The Beaconsfield Primary School Parents & Citizens' Association has been given permission already to use two adjoining open-area class spaces as a hall. The feasibility of moving a wall to incorporate a third class area is being investigated by the minor works committee and the parents will be informed as to whether this is possible as soon as information is received. If a practical solution is available a subsidy will be granted to parents if they wish to undertake the work under Public Works Department supervision.

EDUCATION: TEACHERS

Student: Bonding

1040. Mr PARKER, to the Minister for Education:

When will he answer my letter of 12 July 1982 concerning student teacher bonding?

Mr CLARKO replied:

The questions asked in the member's letter of the 12 July 1982 require a significant amount of research by departmental officers and this is proceeding.

STATE FINANCE

Suspense Account and Treasury Cash Balances

1041. Mr BRIAN BURKE, to the Treasurer:

- (1) What was the balance of moneys held in the Treasury departmental receipts in suspense account at 30 June 1982?
- (2) What were the amounts comprising the balance held derived from—
 - (a) short-term investment earnings;
 - (b) accrued salaries;
 - (c) funds awaiting allocation;
 - (d) other?
- (3) What were the items and the amounts, if any, comprising the amount shown in answer to (2) (d)?
- (4) What was the total amount of moneys earned through the investment of Treasury cash balances in 1981-82?
- (5) What was the amount of moneys earned through the investment of Treasury cash balances in 1981-82 transferred to—
 - (a) trust accounts;
 - (b) Government instrumentalities?

- (6) What was the total amount of moneys earned from the investment of Treasury cash balances transferred to the—

- (a) Consolidated Revenue Fund in 1981-82;
(b) General Loan Fund in 1981-82?

Mr O'CONNOR replied:

- (1) The balance of moneys held in the Treasury departmental receipts in suspense account at 30 June 1982 was \$72 813 352.13.

- (2) and (3) Balance held in Treasury departmental receipts in suspense at 30 June 1982 was derived from—

- (a) short-term investment earnings \$39 383 486.73
(b) accrued salaries \$33 378 337.23
(c) funds awaiting allocation \$51 528.71
(d) other Nil

- (4) Total earnings from investment of Treasury cash balances during 1981-82 were \$51 442 918.25.

- (5) Amounts earned through investment of Treasury cash balances in 1981-82 transferred to—

- (a) trust accounts \$10 050 527.75
(b) Government instrumentalities \$10 433 696.23

- (6) Total amount of moneys earned from the investment of Treasury cash balances transferred to—

- (a) Consolidated Revenue Fund \$4 138 858
(b) General Loan Fund \$2 828 000

In addition to the amount shown under (b), a sum of \$8 424 792.46 not required for budgetary purposes in 1981-82 has already been paid to the General Loan Fund in 1982-83 and will be available to finance capital works this year.

As stated in my reply to question 987, the net earnings from investment of cash balances in 1981-82 — namely, \$30 958 694.27 — forms part of the revenue available to the Government in the current year and has been taken into account in the Budget now being framed.

SUPERANNUATION BUILDING

Extensions

1042. Mr PEARCE to the Treasurer:

- (1) Has the Government proceeded with substantial extensions to the Cabinet

area in the Superannuation Building and what are the costs involved, including furnishings and fittings?

- (2) Will he please table a cost of the floor plan of these extensions?

Mr O'CONNOR replied:

- (1) and (2) There have been no extensions to the Cabinet area in the Superannuation Building.

MINISTERS OF THE CROWN

Overseas Trips

1043. Mr PEARCE, to the Treasurer:

Since his news release of 25 January this year in which he indicated there would be a reduction in overseas travel by Cabinet Ministers, will he please advise how many Cabinet members have made overseas visits since then, and what has been the total cost, including travel, accommodation, printed material, gifts and other associated expenditure?

Mr O'CONNOR replied:

Of necessity, Cabinet Ministers are required to make overseas visits. There have also been a number of visits—including a visit by myself—which have not been undertaken, have been deferred indefinitely, or may be considered for inclusion in a visit to be undertaken at a later date. In other words, overseas visits have been kept to a minimum.

As considerable research will be required to extract and collate the information requested, I am not prepared to place any further demands on staff who are otherwise fully committed.

However, should the member have any reason to believe that travel of an unauthorised and unnecessary nature is being undertaken by Ministers, then he should let me have his grounds for his beliefs and I shall have them investigated.

PUBLIC RELATIONS

Director and Consultant: Cost

1044. Mr PEARCE, to the Premier:

What were the total costs, including salaries, fees and allowances associated

with the employment during the past financial year of—

- (a) the Government's director of public relations; and
- (b) public relations consultant, W. W. Mitchell?

Mr O'CONNOR replied:

- (a) \$39 895.
- (b) \$17 500.

1045. *This question was postponed.*

ELECTORAL: ELECTORATE OFFICES

Staff

1046. Mr PEARCE, to the Premier:

- (1) Following the Government's edict that people employed in members' electorate offices must stand down from their jobs in the event of their being endorsed as political candidates, will he please advise under what arrangements the Government continues to employ public relations consultant, W. W. Mitchell?
- (2) In view of the fact that W. W. Mitchell has been endorsed as a Liberal candidate for the next State election, when does the Government propose to cancel his contract of employment?

Mr O'CONNOR replied:

- (1) and (2) Electorate offices are provided at Government expense to permit a member to discharge his or her legitimate electoral responsibilities to members of the public irrespective of their political opinion.

It is not considered proper that a person who is employed to look after such electoral responsibilities in such a way should be a candidate himself or herself for parliamentary office, as this must tend to distract such a person in the proper carrying out of his or her duties.

On the other hand, the Government may enter into contracts with particular persons for the performance of specialised services, and in such cases, subject to the performance of those services, candidature for parliamentary office is irrelevant.

1047 and 1048. *These questions were postponed.*

PREMIER'S DEPARTMENT

Protocol Section

1049. Mr PEARCE, to the Premier:

What was the cost last financial year of all receptions, luncheons, dinners and other forms of hospitality organised through the protocol section of the Premier's Department?

Mr O'CONNOR replied:

\$116 082.95 for financial year ended 30 June 1982.

This type of information is shown each year in the Estimates of Revenue and Expenditure.

PREMIER'S DEPARTMENT

Government Vehicles

1050. Mr PEARCE, to the Premier:

- (1) How many employees of the Premier's Department are allocated Government vehicles?
- (2) Will he please list the designations of each of these officers?
- (3) Apart from the Under Secretary, Premier's Department, on how many occasions since 25 January this year have these officers been recalled for work at weekends and during out-of-office hours?

Mr O'CONNOR replied:

- (1) One.
- (2) Under secretary.
- (3) Apart from the under secretary, there are five senior officers of the Premier's Department who have the use of pool vehicles.

Because of the seniority of the officers concerned, they are not paid overtime and therefore no records are maintained of the considerable additional hours worked both during the week, on weekends, and on public holidays.

MINISTERS OF THE CROWN

Press Secretaries

1051. Mr PEARCE, to the Premier:

What has been the total amount of overtime paid by the Government to Ministerial press secretaries during the past financial year for overtime worked at weekends and public holidays?

Mr O'CONNOR replied:

\$13 438.78

1052. *This question was postponed.*

GOVERNMENT VEHICLES

Review

1053. Mr PEARCE, to the Premier:

- (1) Have the consultants appointed to review the Government's vehicle fleet completed their final report; if so, will he table a copy of the report?
- (2) If the report is not yet completed, when can it be expected?
- (3) Have the interim reports so far indicated the need for a cutback in the allocations of vehicles to staff members of the Premier's Department?

Mr O'CONNOR replied:

- (1) Yes, the consultants have completed their report.
The Government is presently examining the report to determine just how practical the recommendations might be for implementation.
Until the Government has the results of the examination and decided what action will be taken, I feel it would be inappropriate to table the report or discuss any separate aspects thereof.
- (2) and (3) See answer to (1).

PREMIER'S DEPARTMENT

Under Secretary: Overseas Visit

1054. Mr PEARCE, to the Premier:

- (1) Can he now provide members with full and final details of costs associated with the visit overseas earlier this year by the Under Secretary, Premier's Department?
- (2) Has the Under Secretary, Premier's Department, submitted a report on that visit and, if so, will he table a copy of that report for the information of members?
- (3) If not, will he request the Under Secretary, Premier's Department, to compile such a report?

Mr O'CONNOR replied:

- (1) The visit overseas for the period 15 April to 16 May, 1982 by the Under Secretary, Premier's Department, resulted in a cost to the Western Australian Government of \$8 527.

- (2) and (3) The under secretary on his return reported to me in detail on the outcome of official business attended to on behalf of the Government, which included visits to the office of the official representative in Tokyo and Agent General's office in London which are both administered by the Premier's Department.

Because of the confidentiality of some aspects of the under secretary's visit, I am not prepared to table in Parliament or elsewhere the matters attended to by the under secretary.

GOVERNMENT HOUSE

Swimming Pool

1055. Mr PEARCE, to the Treasurer:

- (1) Has the Government approved construction of a swimming pool in the grounds of Government House?
- (2) If so, what has been the cost of that project?

Mr O'CONNOR replied:

- (1) Authority for construction of a swimming pool in the grounds of Government House was given on 22 January 1982.
- (2) The final cost will be approximately \$26 000.

HOUSING: DIANELLA

Television and Film Studios: Traffic Study

1056. Mr WILSON, to the Minister for Housing:

- (1) Will the completed traffic study prepared for the State Housing Commission in connection with the proposed rezoning of land in Dianella for the development of a media complex need to be considered by Cabinet before being made public?
- (2) At what point will Cabinet be considering the proposal for this proposed media development?

Mr SHALDERS replied:

- (1) Yes.
- (2) Some consideration has already been given to the proposal. A final decision will not be made until planning issues, of which the traffic study was one, have been resolved.

LOTTERIES COMMISSION

Sports Lottery

1057. Mr WILSON, to the Minister representing the Minister for Recreation:

- (1) When is the proposed sports lottery due to come into operation and how will it operate?
- (2) What is the anticipated return from the lottery on an annual basis, and to which areas will the resultant revenue be directed?
- (3) On what basis will such funds be allocated, and which persons or bodies will decide where the funds are to be allocated?
- (4) Will funds generated by the lottery for the areas specified in (2) be used to replace funds already being allocated to these areas from general or existing sources of revenue, or will they be used to increase funding to these areas?

Mr HASSELL replied:

- (1) to (4) Legislation to enable the Lotteries Commission to conduct lotteries known as instant lotteries will be introduced in this session of Parliament. A copy of the Premier's statement will be supplied to the member.

FUEL AND ENERGY: ELECTRICITY AND GAS

Charges: Rebates

1058. Mr WILSON, to the Minister for Fuel and Energy:

- (1) How many pensioners have benefited from rebates for—
 - (a) electricity charges; and
 - (b) gas charges,
 in each of the past five years?
- (2) What has been the total amount foregone in revenue from such rebates in (1)(a) and (1)(b) in each of the past five years?
- (3) What have been the relative amounts of estimates of rebates and rebates actually paid by the State Energy Commission in each of the past five years?
- (4) What has been the total amount obtained from standard charges received by the commission in each of the past five years on—
 - (a) electricity accounts; and
 - (b) gas accounts?

- (5) What proportion of the State Energy Commission's customers are known to be or estimated to be pensioners eligible for rebate?

Mr P. V. JONES replied:

- (1) to (5) The information sought requires extensive research, and I will reply to the member by letter as soon as the information becomes available.

COURT: CHILDREN'S

Offensive Statement

1059. Mr WILSON, to the Minister for Community Welfare:

- (1) Referring to his statement as reported in the *Weekend News* of 7 August 1982, following a decision of the Children's Court to return a child to her natural parents, to the effect that he was pleased that the little girl would have the love and care she deserved, is he aware of the possible offence to the foster parents who had cared for the child concerned for some years prior to the court decision, implied in his comments?
- (2) In a situation where there is provision for a court to resolve such matters, is it considered appropriate to make his own value judgments which may cast unworthy aspersions on one of the parties indirectly involved on which the court had adjudicated?
- (3) What is his appreciation of the role fulfilled by foster parents in this situation and in general?

Mr SHALDERS replied:

- (1) to (3) In making this comment I referred solely to the love and care that could be expected and to which the child or any other child is entitled and is deserving of from the natural parent or parents.

Comment was made also to the effect that the most desirable circumstance for any child was to be with its natural parent or parents, although I recognised that there were circumstances where this was not always possible or in the child's best interests at a particular time.

The desire of my department is always to see, and where possible to achieve, the circumstances where that policy can be put into effect.

The point was made also and stressed that I could understand the upset to the

foster parents at this time and I paid tribute to the love, care, and attention which they had given to this child during the whole of the period they had been caring for it.

I regret sincerely that my remarks on this aspect were not made public in some media reports, for I had asked expressly for that to be done when speaking with the media representatives.

The resultant reporting of this case highlights again the problems which all members have in respect to the reporting of Press interviews as opposed to written Press statements in which a particular matter can be identified positively and shown to be a part of that statement.

RECREATION: ROYAL KING'S PARK TENNIS CLUB (INC.)

Tenancy

1060. Mr WILSON, to the Minister for Lands:

- (1) Has the rent-free tenant status given to the Royal King's Park Tennis Club by the Kings Park Board been with the approval of successive State Governments, or has the decision been a unilateral one?
- (2) As there is no formal lease agreement—and never has been—over a specified and surveyed area, how does the Kings Park Board justify “possession by occupation” of parkland outside of the boundaries of the tennis club?
- (3) (a) On what basis is the Royal King's Park Tennis Club exempted from paying land tax to the State Taxation Office; and
(b) at current rates, what would be the revenue foregone by the State?
- (4) (a) Does the Kings Park Board have any jurisdiction over the nature, scale, and visual impact over additions or alterations within the boundaries of the tennis club; in other words, was the Kings Park Board consulted on the erection of the four banks of lights; and
(b) if so, did the Kings Park Board give consideration to the community interest in regard to the aesthetics and harmony of the park environs?

- (5) Would the reply to (4) be affected in any way by the fact that there is no formal lease, and that “improvements effected by the tenant will accrue to the landlord”?
- (6) What impact will redevelopment of Hale Oval have on the provision of parking for sporting events in view of the fact that the plan of the redevelopment, on public display for the first time at the day of the trees ceremony—11 June 1982—gave no indication of either permanent or temporary parking areas?
- (7) Has the Kings Park Board considered the “user pays principle” as applied at other sporting events and venues by way of a parking fee, to raise moneys for park improvements?
- (8) Since improvements to the park are likely to benefit the community as a whole, what would the Kings Park Board consider to be a fair annual rental payable by the Royal King's Park Tennis Club for either or both the tennis grounds and the area annexed for members' parking?

Mr LAURANCE replied:

- (1) This status has been accorded by the Kings Park Board with the approval of successive State Governments over a very long period of time.
- (2) The area occupied is by agreement with the Kings Park Board.
- (3) (a) and (b) This is a matter for the State Taxation Office.
- (4) (a) and (b) Yes.
- (5) No.
- (6) Redevelopment plans for Hale Oval include provision for parking.
- (7) Yes.
- (8) The board considers the present arrangements to be satisfactory. The tennis club is responsible entirely for all recurrent maintenance and operating costs and for all capital improvements whether of its own choice or at the requirement of the board, without the club enjoying security of tenure.

STATE FINANCE

Treasury Cash Balances

1061. Mr BERTRAM, to the Premier:

- (1) Was the balance of unexpended earnings on the investment of Treasury cash balances as at 30 June 1982 a record?

- (2) What were the reasons which caused the earnings on the said investments to jump dramatically from \$27 528 546.76 in 1981 to \$51 442 918.25 in 1982?

Mr O'CONNOR replied:

- (1) Yes. The earnings for 1981-82 on investment of Treasury cash balances was a record.
- (2) In addition to a substantial increase in the average daily sum invested an unprecedented average earning rate of 16.061 per cent was obtained.

Two factors contributed to the increase in the average level of cash available for investment. Closer attention to reducing the level of overdrawn accounts has strengthened our cash position. However, the major factor was undoubtedly the unusual pattern of award wage decisions which occurred late in the year relative to the more usual situation when they tend to be spread throughout the year. This resulted in the provision in the Budget for award increases being drawn on later than might have been expected.

The high interest rate obtained reflected the high level of short-term interest rates prevailing in the market throughout the year.

These factors underline the difficulty of estimating the amount likely to be obtained from this source during the year and explain the Government's practice of reducing uncertainties in the Budget by taking the amount earned in any one year into account in the following year's Budget when the actual sum earned up to the previous 30 June is known.

COURT: PRIVY COUNCIL

Right of Appeal

1062. Mr BERTRAM, to the Premier:

- (1) Has his Government recently agreed to deny all Western Australians of their long established and in many cases cherished right of appeal to Her Majesty's Privy Council?
- (2) If "Yes", why has this been done at this time and without consultation with this Parliament?

Mr O'CONNOR replied:

- (1) and (2) At the Premiers' Conference in June this year, the Premiers of every State of Australia and the Prime Minister agreed unanimously to work together—

- (a) to bring the constitutional arrangements between the United Kingdom and Australia, affecting both the Commonwealth and the States, into conformity with the status of Australia as a sovereign and independent nation;
- (b) to achieve the severance of the remaining constitutional links—other than the Crown—between the United Kingdom and Australia; and
- (c) to remove the limitations on the competence of this Parliament and the other State Parliaments to legislate extra-territorially.

It will be appreciated that there has been a gradual process of evolution of the nationhood of Australia. I believe members would recognise generally and applaud the fact that as a nation we have now reached a point where it has become appropriate to consider the severance of these remaining links with the United Kingdom that stem from our colonial days, so that Australia might stand more clearly as a sovereign and independent nation under the Crown.

The point of the agreement at the Premiers' Conference is that all Governments in Australia should work together towards this end. Under the agreement, legislation to implement these proposals will have to be considered by this Parliament and every other Parliament in Australia and by the United Kingdom Parliament. Consultation with this Parliament is therefore assured.

ELECTORAL: ENROLMENTS

Failure to Enrol

1063. Mr BERTRAM, to the Minister representing the Chief Secretary:

What is the estimated number of people in this State who though eligible to vote are not in fact enrolled for that purpose?

Mr HASSELL replied:

No estimate has been attempted as there is no reliable data on which an estimate could be based.

ELECTORAL: NORTH PROVINCE

By-election

1064. Mr BERTRAM, to the Minister representing the Chief Secretary:

What was the cost or estimated cost of the recent by-election for the North Province?

Mr HASSELL replied:

The costs cannot be accurately ascertained until all accounts are received and processed.

The Chief Secretary has asked that the member be advised when the cost is established.

FUEL AND ENERGY: GAS

North-West Shelf: Redundancies

1065. Mr HARMAN, to the Minister for Resources Development:

- (1) Is it a fact that a number of highly trained professional persons previously employed by BHP on the North-West Shelf gas project have now become redundant?
- (2) Is he aware that the American, Japanese, and Australian consortia now building the plant at Burrup are engaging highly trained professional persons from outside Australia?
- (3) Is he aware that such persons are receiving very high salary contracts?
- (4) If not, will he investigate and use his good offices to promote the re-employment of Australians referred to above?

Mr P. V. JONES replied:

- (1) No. BHP engineering has been able to relocate some highly trained skilled professionals with Woodside and the main contractor, as the company's contracts on the North-West Shelf gas project are nearing completion. It has also transferred some staff to its Eastern States' operations. The services of a small number of inspector-type staff have had to be terminated.

- (2) The consortia selected by Woodside as the main contractor for the domestic gas plant must be expected to rely on a limited number of its own key staff having specialised technical and contracting experience necessary for the project. The consortia have to satisfy Australian immigration requirements for all overseas personnel working in Western Australia. Temporary entry permits are not granted if similarly skilled residents are available.
- (3) I assume staff working on the project receive salaries commensurate with their positions. Industrial salaries are a confidential matter of the companies concerned.
- (4) The agreement Act requires the joint venturer and its contractors to use labour available in the State wherever it is reasonably and economically practicable to do so.

**QUESTIONS WITHOUT NOTICE
GOVERNMENT PRINTING OFFICE**

"Hansard" and Statutes: Delay

384. The SPEAKER: Members will recall that during yesterday's question time the member for Fremantle addressed a question to the Treasurer about the production of *Hansard* and the bound volumes of Statutes. I intervened and indicated that the matter was one for the Parliament and that I would undertake to ascertain the information. I now have the information, which is as follows—

- (1) The initial delay in the delivery of the bound volumes of the Statutes was due to a request from the Crown Law Department to include the Companies Code which was not available until 1 July 1982. The reason for the recall of the initial delivery of 50 sets of the bound volumes of the Statutes was for inspection, as it was suspected that some pages could have been omitted. Subsequent investigations revealed that only two books had pages missing and the situation was rectified without any reprinting being necessary. Replacements were delivered the day following the recall of the first delivery. The bound volumes of the *Parliamentary Debates (Hansard)* are yet to be delivered. The holdup in delivery is through delay in the

typesetting of the index caused by the current lack of capacity in the photo typesetting section of the Government Printing Office. The printing of the index will be carried out by Monday, 16 August, and the volumes will be available by Monday, 23 August. Plans are in hand to upgrade the photo typesetting facilities at the Government Printing Office which, when implemented, will overcome this present unsatisfactory situation.

- (2) Delay in delivery of *Hansard* No. 9—for 3 and 4 August 1982—was due to the late receipt of copy relating to Assembly tabled papers. The cause of the delay in the Legislative Assembly has been identified and action has been taken to ensure that it does not occur again. In the event that it does, instructions have been issued at the Government Printing Office to proceed with the production of *Hansard* without the tabled papers if copy of same does not reach the Government Printing Office by 4.00 p.m. on the Friday preceding the publication of *Hansard*.
- (3) Answered by (1) and (2).

STATE FINANCE: CONSOLIDATED REVENUE FUND

Balanced

385. Mr BRIAN BURKE, to the Treasurer:

In Parliament last week the Treasurer referred to the outcome of transactions of the CRF in 1981-82 as being, "a balanced Budget and a little surplus". Will he indicate whether the outcome was a balanced Budget or a surplus Budget?

Mr O'CONNOR replied:

The actual outcome was a balanced Budget. We did it by transferring some surplus funds we had to other areas, which balanced it in the long term.

INTEREST RATES

Moneylenders

386. Mr NANOVIK, to the Premier:

Following on from my question without notice 336 addressed to the Premier on Wednesday, 4 August, relating to moneylenders in New South Wales charging interest rates of 162 per cent to

low-income earners, did he make any inquiries to ascertain whether the figure of 162 per cent was correct?

Mr O'CONNOR replied:

Yes, we have confirmed that Mark Lynch's figure of 162 per cent was correct. The information was qualified by indicating the loans were generally for \$1000 or less and generally repayable in less than a year, not that that justifies an interest rate of 162 per cent.

STATE FINANCE: CONSOLIDATED REVENUE FUND

Surplus: Transfer

387. Mr BRIAN BURKE, to the Treasurer:

As a follow-up to my earlier question, is he able to indicate the approximate amount constituting the "little surplus" transferred to which he referred?

Mr O'CONNOR replied:

It was a little over \$7 million—about \$7.5 million.

WATER RESOURCES: AUSTRALIA

Federal Report

388. Mr HERZFELD, to the Minister for Works:

- (1) Is he aware the Prime Minister has commissioned a report on Australia's water resources prospects for the year 2000?
- (2) When is the study to be complete?
- (3) What action has been taken by the State to provide input for the study?

Mr MENSAROS replied:

- (1) Yes.
- (2) March 1983.
- (3) The Western Australian Government believes that this is an important study which could have implications for the future, particularly the role of the Commonwealth in providing financial assistance to the State. The State is co-operating with and providing information to the consultants who have been engaged by the Commonwealth to prepare reports. The Commonwealth steering committee has visited Western Australia and met with Government officers.

**STATE FINANCE: CONSOLIDATED
REVENUE FUND**

Balanced

389. Mr BRIAN BURKE, to the Treasurer:

I am not trying to be misleading, but I am not certain that the Treasurer is answering the questions I am asking. Perhaps I am not expressing them clearly. In answer to part (2) and 3(a) of question 1041 today the Treasurer indicated that there was a surplus of almost \$40 million. I ask—

Could the Treasurer explain to the House how we have ended up with a balanced Budget with a little surplus which is, in fact, according to the answer given today, an amount of \$40 million?

Mr O'CONNOR replied:

The balance to which the member is referring is the moneys made from investment of Treasury's day-to-day balance which would run into about \$31 million. If he wants any further detail on this matter, he should put the question on notice and I will be quite happy to answer it.

RESEARCH STATION: DENMARK

Future

390. Mr STEPHENS, to the Minister for Agriculture:

- (1) Can the Minister give an assurance that the Denmark Research Station will not be sold in the foreseeable future?
- (2) If "No" to (1), what are the plans for the future for this research facility?

Mr OLD replied:

- (1) and (2) I am not too sure what the "foreseeable future" is, and I give no assurance that a particular research station will not be sold in the foreseeable future. I have made the statement quite often in this House that all research stations are under review and that decisions will be made as and when they need to be made; but as for saying "in the foreseeable future", that is too indeterminate.

RAILWAYS: FREIGHT

Joint Venture: Robb Jetty Facility

391. Mr PARKER, to the Minister for Transport:

Further to my question without notice of yesterday, can the Minister supply the information I requested?

Mr RUSHTON replied:

I am pleased to give the member the information he requested of me yesterday. It is as follows—

- (1) Total West has decided to close its operation at the Robb Jetty Terminal on and from 16 August 1982.
- (2) and (3) I understand some seven of Total West's employees at Robb Jetty will be affected by the change. These people will remain with Total West but further details of the employment arrangements are a matter between the company and its employees.
- (4) No, Total West has appointed Wills Transport of 1 South Terrace as its smalls freight agent to continue to provide the company's services to the people of Fremantle.

It seems to me that Total West has made a normal business decision to reduce its costs and at the same time continue to provide good service to its clients in the Fremantle area.

MINING: NICKEL

Canada

392. Mr COURT, to the Minister for Resources Development:

- (1) Is the Minister aware of the critical state of the nickel industry in Canada?
- (2) Is he aware of the policies being implemented by that country to overcome these problems?

Mr P. V. JONES replied:

- (1) and (2) I thank the member for notice of the question and inform him that the nickel industry in Canada is in considerably worse shape than it is in Western Australia.

Mr Davies: What would you expect, with their socialist Government!

Mr P. V. JONES: To continue—

Though ostensibly comparable in that the operations in both countries are based on large underground sulphide ore bodies, there are some major differences.

Mr Grill: I told you this about six months ago.

Mr P. V. JONES: To continue—

Both NCO and Falconbridge are reported to have large unsold stocks of refined nickel and therefore have found it necessary substantially to prolong their normal summer shutdown.

Mr Grill: All this has been given by me before.

Mr P. V. JONES: To continue—

INCO's Sudbury operations will be closed for a total of four months and those at Thompson for two months.

Mr Grill: Dorothy Dix!

Mr Old: Who is answering this question?

Mr P. V. JONES: To continue—

The Canadian companies also have announced massive staff reductions and salary freezes.

Mr Grill: Obviously, you are reading my speech!

The SPEAKER: The member will cease interjecting. I do not want to bring questions without notice to a close.

Mr P. V. JONES: To continue—

Western Mining Corporation Ltd. appears to have been able to maintain its sales of refined nickel and nickel matte, albeit at a substantially reduced price. This has enabled the company to maintain its normal mining and processing rates at Kambalda, Kalgoorlie and Kwinana. To achieve this, however, it has had to reduce its production costs, mainly by reducing its workforce by natural wastage and by the recently announced 12-month freeze on staff salaries.

Unions representing the WMC nickel work force have also recognised that to pursue demands for increased wages and reduced hours in the current climate would contribute to further redundancy

and the probable need to cut production and have wisely refrained from doing so.

Notwithstanding the concerted efforts being made by Western Australian nickel producers, their cost competitiveness on international markets remains under threat. Ever-increasing transportation costs to these remote markets makes it absolutely essential that efforts to contain production costs are maintained.

RAILWAYS: FREIGHT

Joint Venture: Library Board Contract

393. Mr DAVIES, to the Minister for Transport:

- (1) Is he aware that the State Library Board is cancelling its contract with Total West for carrying 1.3 million books a year in the State?
- (2) Is he further aware that the reason for this is that the board regards the service as being unreliable?
- (3) If this important Government agency has no confidence in the service provided by the Westrail joint venture to the point where it is not prepared to use it does he regard this as a good advertisement for Total West?
- (4) If Government agencies are not willing to use the service why should anyone else be willing to do so?

Mr RUSHTON replied:

It is interesting to note the tenor of the question, which talks against something coming about.

Mr Davies: Because it is a disaster.

Mr RUSHTON: My answer is as follows—

- (1) I understand inquiries with Total West and a senior officer of the State Library Board indicate, firstly, that no contract exists in either written or verbal form; secondly, there is no proposal for the board to employ the services of a carrier other than Total West.
- (2) and (3) Answered by (1).

- (4) Major objective of the land freight transport policy is freedom of user choice of transport service. The policy is certainly not undermined should a Government agency or a private business choose to engage a carrier other than Total West. Should the Library Board at any time in the future decide to change from Total West to another carrier, this would be the board's own decision.

MINERAL SANDS

Capel Primary School: "Daily News" Article

394. Mr BLAICKIE, to the Minister for Health:

Has the Minister received an apology from the *Daily News* regarding the question I raised yesterday relating to mineral tailings and his reply in this House?

Mr Davies: He got good coverage; what is he complaining about?

Mr YOUNG replied:

The member for Vasse and other members will be surprised to hear that I have not received an apology from the *Daily News*. If members look at page 12 of today's *Daily News* they will see two articles, one being the original, and the other one with a *Daily News* comment. Running two articles on one page is a good journalistic ploy. The truth is put in one article, as the *Daily News* did on this occasion, and then the vitriolic comment, which may be completely unfounded, is in the other one. If there is any controversy, they say, "This is what we said", and quote the truthful one.

The *Daily News* "Comment" articles are among the worst I have ever seen and I am going to take up the Leader of the Opposition's recommendation of yesterday to have the matter referred to the ethics committee of the Australian Journalists Association.

Mr Davies: You said it had been done.

Mr Brian Burke: Yes, you said it already had been done.

Mr YOUNG: I said I understood it had, but it had not been done by me, and I will make sure it will be done.

The *Daily News* said—

The Minister for Evasion, Mr Young, brushed aside the warnings of these two renowned scientists, who have no political or commercial interest in Capel or its monazite.

The *Daily News* and other newspapers have printed the fact that I am referring the comments of Professor Rotblat and Dr Gofman to the Radiological Council of Western Australia, to the National Health and Medical Research Council of Australia, and to the International Campaign for Radiological Protection. The editor himself knows that. The article continues—

The error was not a result of any direction or campaign and was without the editor's knowledge. It was intended by touching up details of the picture—

And members will like this—

—to show the girl was outside the danger area—not inside, as is being implied.

The comment ends by saying—

And does the Minister for Health care a hoot?

The answer is, "Yes". I care more about getting the truth from the international and national organisations to which I have referred, and making sure that information is given to the journalists of the *Daily News* so it can be used properly, than I care about rushing into answering obviously trite and nonsensical comments that have been made by some other people, including the Editor of the *Daily News*.

MINISTERS OF THE CROWN

Overseas Trips

395. Mr PEARCE, to the Premier:

- (1) Since we are on a truth kick: Can the Premier tell us why he has followed the practice of his predecessor and failed to

make available to Parliament the details of the cost of ministerial travel? I put a question on notice today requesting the cost of ministerial travel in recent time and I received a standard reply that the work involved would be too extensive and the Premier was not prepared to make staff available to research the question. If ministerial staff is so extensive, Parliament is entitled to know how much it costs.

- (2) Is the Premier adopting a policy of concealment or does he intend to make the information available?

Mr O'CONNOR replied:

- (1) and (2) I did not have the time available to me to obtain the information required by the member. He would know that a number of Ministers have travelled overseas and would know the approximate cost. I will check further with the department in due course.

WATERS RESOURCES

Woodbridge Subdivision

396. Mr CRANE, to the Minister for Works:

- (1) Is the Public Works Department going to take over the operation and maintenance of water supply to the Woodbridge subdivision.
(2) If so, when?

Mr MENSAROS replied:

- (1) and (2) A provisional agreement has been reached with the present owners, and, subject to the completion of certain formalities, full agreement is expected in the near future.

In addition, take-over is contingent upon all works meeting the technical requirements of the Public Works Department and work to this end is presently in course. Of this, the most important is the construction of reliable and adequate bores. This work is in hand and is expected to be completed during September, after which formal take-over can proceed.

STATE FINANCE: CONSOLIDATED REVENUE FUND

Surplus: Transfer

397. Mr BRIAN BURKE, to the Treasurer:

My question is supplementary to my previous one to which the Treasurer explained that a balanced Budget had been reached by transferring a little money in, to balance the Budget. From where was it transferred—this sum of \$7 or \$8 million—and is there any more to be transferred in due course?

Mr O'CONNOR replied:

The money was transferred into the General Loan Fund from moneys that were left. Members will know that this is used for capital works, in housing and such as I have indicated already.

Mr Brian Burke: How much more money is to be transferred?

Mr O'CONNOR: As far as I know, none from that particular year.

The total amount was \$8.4 million.

RAILWAYS: FREIGHT

Joint Venture: Mail Deliveries

398. Mr WATT, to the Minister for Transport:

Could the Minister inform the House of the situation in respect of country mail deliveries under the latest phase of the Government's land freight transport policy?

Mr RUSHTON replied:

There has been an undoubted improvement in the standard of mail deliveries to country areas with the deregulation of mails traffic.

Prior to the establishment of Total West, Australia Post closed city mails for country areas at approximately noon to enable despatches on country trains departing late afternoon/early evening for delivery next morning.

I am delighted to be able to tell the House that with road transits by Total West, Australia Post is now able to close off after normal business hours and deliver mails to Kewdale up to 10.30 p.m. for delivery next morning.

A comparable improvement has been experienced with mail sent from country areas. By way of example, I could cite

the Albany situation where Australia Post is now able to receive mail for delivery the next day up until sometime after 5.00 p.m.; in other words, after close of normal business. Under the old system, mail had to be in before 3.00 p.m. Those extra couple of hours have been a real boon to the local community and especially the business sector.

STATE FINANCE: CONSOLIDATED REVENUE FUND

Surplus: Concealed

399. Mr I. F. TAYLOR, to the Treasurer:

Is it correct that the Government has attempted to conceal a Budget surplus of almost \$40 million in order to accumulate a large budgeted surplus in a pre-election year like the \$44.6 million surplus that was accumulated in the year prior to the 1980 State election?

Mr O'CONNOR replied:

We have carried on in the normal way—

Opposition members interjected.

Mr O'CONNOR: I do not know whether members really want questions answered. We have carried on in the normal way and if members care to go through the Budgets they will note we have handled the Budget as it has been handled in previous years.

LOTTERIES COMMISSION

Sports Lottery

400. Mr WILSON, to the Premier:

I refer to the proposed introduction of a sports lottery which the Premier mentioned some time ago and which I believe is to be introduced by way of legislation this current session. Will funds generated by the lottery for areas such as sport and recreation be used to replace funds already being allocated to those areas from general or existing sources of revenue, or will they be used to increase funding to these areas?

Mr O'CONNOR replied:

It is anticipated that the lottery will increase funds to these areas.

RESEARCH STATION: DENMARK

Future

401. Mr STEPHENS, to the Minister for Agriculture:

My question is supplementary to my previous one, and as the Minister had difficulty defining "the foreseeable future" I will rephrase my question. Can the Minister give an assurance that the Denmark Research Station will not be sold within the next 12 months?

Mr OLD replied:

I reiterate that all research stations are under review and it is highly unlikely that the research station in Denmark will be sold within the next 12 months. However, I can give no assurance about any research station.

STATE FINANCE: CONSOLIDATED REVENUE FUND

Surplus: Transfer

402. Mr BRIAN BURKE, to the Treasurer:

I do not want to labour the point, but a moment ago the Treasurer said that in excess of \$8 million had been transferred from the General Loan Fund.

Mr O'Connor: I said, "to the General Loan Fund".

Mr BRIAN BURKE: The Treasurer said "from". In that case my question is: From where was the money transferred to balance the Budget?

Mr O'CONNOR replied:

As the Leader of the Opposition knows, because of very good management by this Government and because of the good operation of the Treasury, we had a small surplus during last year and we had a balanced Budget.

Mr Brian Burke: I was just asking from which account was the money transferred?

Mr O'CONNOR: I cannot say offhand.

Mr Brian Burke: The point I am making is that in answer to the question you said the money was transferred from the investment of cash balance.

Mr O'CONNOR: Yes.

Mr Brian Burke: I wondered why only \$8 million was transferred and \$30 million was left.

Mr O'CONNOR: Earlier last year the amounts of investments, cash from investments, in Treasury included in last year's figures, were not taken back to the previous one. If the member goes back to recent years of the Treasurer's accounts he will notice that the amounts obtained from investment by the day-to-day balancing by Treasury are invested in the following year and are taken into account in the Budget in that year.

Mr Brian Burke: Except for the \$8 million this year.

Mr O'CONNOR: That is the point I am making. Had the member looked at the accounts he would realise that last year a certain amount was set aside for wages, etc. and in some cases less was expended than was anticipated. The member may recollect that it was indicated there would be a wage increase of about \$7 million in the March Federal arbitration decision.

This did not apply. In certain other areas we were able to—

Mr Brian Burke: Your answer said that it came from the investment of the Treasury cash balance.

Mr O'CONNOR: I am trying to answer the Leader of the Opposition and will continue if he will give me the opportunity. We had a surplus that we transferred into other areas to assist in the employment field. Last year, when the Budget was finalised, an amount of about \$15 million was anticipated from receipts from the Treasury investments that were allowed for in connection with our budgeting. We have done the same this year; that is the \$30 million to which the Leader of the Opposition is referring.

Mr Brian Burke: The amount is \$39 million and that is the point. Why did you take \$8 million off the \$39 million and leave \$31 million there?

Mr O'CONNOR: That is being used this year.

Mr Davies: For a nest egg.

Mr O'CONNOR: It is being used to compile our Budget. If the Opposition wants to criticise the Government for good

management and accounting on the basis that it is able to provide, in a difficult year, for people who require it, I am pleased.

RAILWAYS: MIDLAND WORKSHOPS

Amenities

403. Mr HERZFELD, to the Minister for Transport:

An item in today's *The West Australian* refers to a deputation of railway workers confronting the Minister on the question of amenities for employees in the Midland Workshops. Will the Minister elaborate on this matter and inform the House what is the situation in Westrail's Midland Workshops?

Mr RUSHTON replied:

It is clear from what was said to me yesterday that rank and file workers in the Midland Workshops are badly uninformed—

Several members interjected.

Mr Young: The member for Kalgoorlie misheard what the Deputy Leader of the Opposition said earlier today. He was referring to us as "brothers" not "bludgers".

Mr RUSHTON: —and misled in regard to what is happening in the workshops. Obviously shop stewards are not satisfactorily passing down the line the full facts for the workers to be properly informed.

I believe the workers should be made aware of the \$5 million five-year modernisation programme under way at the workshops and of the State's rail system and its bright future.

Obviously, new methods need to be devised to improve the lines of communication, and I have already discussed this with the Commissioner of Railways (Mr McCullough) to see what the management can do to overcome the shop stewards' shortcomings.

It is disappointing in particular that many man days of work were lost yesterday simply over a lack of awareness by the men of the amenities being provided at the workshops. There is a programme of providing improved worker amenities in the workshops. This

is ongoing and some \$200 000 has been included in the proposed budget.

If the shop stewards and protesting workers have any grievances on these proposals they should be fully detailed and put before the management so that there can be proper and reasonable response.

TOWN PLANNING

Deputy Commissioner

404. Mr DAVIES, to the Minister for Urban Development and Town Planning:

Will the Minister advise what progress has been made in appointing a Deputy Town Planning Commissioner? The

advertisement calling applications for the position was made public some considerable time ago and the fact that the position remains unfilled must have some disturbing effect on the whole of the department.

Mrs CRAIG replied:

The member for Victoria Park is correct. The position was advertised some time ago and I understand a panel interviewed those applicants who were on the short list. I further understand that of the people interviewed the panel did not find one suitable to fill the position. Therefore, the situation is still that we have an Acting Deputy Town Planning Commissioner.

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