

be a more attractive place to visit, and be more financially accessible to those currently disadvantaged by the land market and the development process.

This is in line with Labor's philosophy on social justice and it offers an example of bringing together planning and politics in a way that conservative parties are unlikely to even contemplate, let alone act upon.

The initiatives I have suggested would help to create a city centre from which all Western Australians can benefit. I believe the State deserves nothing less than that.

I have much pleasure in supporting this Bill.

[Applause.]

**MR WIESE (Narrogin) [4.41 pm]:** As I rise for the first time in the Legislative Assembly of Western Australia I am more conscious than I have been at any other time in the 19 days since the 9 May by-election of the honour and responsibility which was bestowed on me when I was elected by the people of the Narrogin electorate to this Parliament.

I am also very conscious that it was only because of the tragic passing of the previous member for Narrogin Cambell Nalder, that I have been able to enter this House. As Cambell's campaign manager, I was strongly involved in assisting him in winning the seat of Narrogin. I believed that he would make a real contribution to the electorate and to the Parliament as a member for Narrogin. From what I have observed, and from the comments that have been made to me by members and officers of this House about Cambell during his short time as a member, I know that this Parliament and this State are poorer for his passing.

The electorate of Narrogin is in the great southern region of the State. It stretches from Popanyinning in the north to Moberup in the south, from Tarin Rock in the east, to Bowelling in the west. It comprises nine shires, covers an area of 16 500 square kilometres, and has a population of 16 200. The electorate generates approximately \$200 million of gross primary production income. The figures I have used have come from the 1984-85 Bureau of Census and Statistics figures.

While the electorate is certainly a rural electorate, with a large amount of its wealth being generated from primary production, it also has a strong component of Government employment and services in its makeup. The Narrogin electorate, like many other rural electorates, is very sensitive economically to first, the fortunes of agriculture and secondly, the decisions

of Government and Government departments which affect a number of employees and the level of services supplied. It is, therefore, going through a fairly hard time at present because of the current downturn in agriculture and the so-called rationalisation which is taking place in Government departments and services.

However, despite all this there is a basic strength and spirit within the electorate which, with a little favourable consideration by way of Government direction and decision, could turn from pessimism to quiet optimism.

Employment in the country is the greatest factor in retaining people in country towns. If no jobs are available people are forced to leave and go where they can find work. When people leave the country or are transferred to the coast by the Government the effects are felt throughout the community. Retailers feel the squeeze, local councils are affected, school enrolments drop and a further round of retrenchments and job losses begins. The whole process tends to generate its own momentum. The real secret is to ensure that the process does not start.

Government, as a major provider of jobs and services, has a very important part to play by ensuring that it is never responsible for starting a snowball of job losses and retrenchments in our country towns.

The retail industry and small business are the other major suppliers of jobs in our country towns. What we are basically talking about is the retail shopping industry which services our local communities, and subsidiary small businesses that service the agricultural industry.

The fortunes of the retail industry and of small business in country towns fluctuate with the fortunes of farming and are also affected by the movement of people out of the electorate. They are also very much affected by Government decisions, both State and Federal, which directly reflect on costs. This applies not only to small rural businesses, but also to business all over the State, both rural and metropolitan. Small business bears the brunt of all Government charges—water, electricity, and telephone charges, payroll taxes, land taxes, FID and BAD taxes, fuel taxes, fringe benefits taxes, capital gains taxes and income taxes. The list goes on and on. The overall result is that the small business proprietor, who employs 60 per cent of the Australian work force is today wondering why he should continue. All his hard work and capital investment is today worth nothing. His

profits are taxed at rates which kill any incentive. If he does build up a capital asset for his retirement or for his children, the capital gains tax makes sure that he retains little of it.

In other words, all incentive to work hard and to produce wealth and jobs is disappearing. Small business all over the State, including country towns and the city, need help. They need changes to Government policies in many areas. Interest rates are prohibitive and must come down. Taxation, both direct and indirect, has killed incentive. Direct tax rates must come down and indirect taxes must be slashed so that small business can regain its profitability and begin once again to become a provider of jobs and training for our young people.

The State Government must play a part in the process by first, cutting the indirect taxes which harm small business and secondly, by going to the Federal Government and pleading the case for a cut in direct and indirect Federal taxation.

In the course of the election campaign I was able to visit almost every shop and business throughout the electorate. Through a long association with my community, through local government, and through my involvement in political activities, I believed I had a reasonable knowledge of the electorate and what went on throughout the various towns and shires in it.

It was a salutary experience to find that I had a lot to learn about small business and industry in the country.

I have touched on small business already but I would like to touch on the role of small industry and the role it plays in my electorate before I depart from this general topic in my speech.

The type of businesses which I am talking about are small by metropolitan standards, but they do, nevertheless, provide significant employment and generate significant income in their particular towns.

In Popanyinning, Don Bird manufactures silos and feeders, and his general sheetmetal work products are sold throughout the agricultural areas of this State.

In Cuballing, McDougall Weldments manufacture, among other things, transportable sheepyards which are sold all over Australia.

In Narrogin, Narrogin Fibreglass manufactures fibreglass tanks and swimming pools which are sold all over the State and even exported to the Middle East.

Narrogin and Williams both have seed cleaning works which clean various seed varieties and sell them all over this State, and interstate and overseas. Wagin has two very well-known light industries: Pederick Engineering Pty Ltd has been developing, manufacturing and selling a wide range of agricultural equipment which is known and used all over Australia. Grainfeeds Pty Ltd is also manufacturing and selling Australia-wide a wide range of stock and animal foods.

Kojonup has two significant engineering establishments: One manufactures stock crates for the livestock carrying industry and the other, T. and M. M. Pryor and Co., is the second largest manufacturer of bus bodies in this State. It has manufactured almost 80 buses in the last seven or eight years, mainly for the school bus market. It has also manufactured several magnificent tour buses for the travel industry.

I have detailed some of these industries for two specific reasons: Firstly, I wish to bring to the attention of the House the wide range of industry that is successfully operating in the country now and the wide field in which they market their products. Secondly, I wish to make the point to all members that having established that industry can exist successfully in the country, we should be encouraged to turn all those words that have been spoken about decentralisation into meaningful action.

Governments can and should create an environment which will encourage those with ideas and skills to look to the rural areas when seeking a location for their factories. There are a number of valid reasons for doing so: Generally land costs and rates are significantly lower; the environment for workers and the way of life for people living in the country is very attractive; and often the lower cost of housing and the lower rents provide significant encouragement for people to live in the country. All these contribute to a very important factor from an employer's point of view—a happy, stable work force.

Government can do much to help by returning incentive for the entrepreneur to invest in the country. Low interest long-term loans; the return of meaningful investment allowances; lower or even subsidised freight rates and the deregulation of the transport industry; and the abolition of payroll tax—all these specific measures would, if applied to industry wishing to establish in the country, be a real contribution towards meaningful decentralisation. General measures such as the lowering of

interest rates and meaningful cuts in the current tax rates would also be a terrific spur to investment and job creation. Unless we try in a real, meaningful way to adopt all or some of the measures outlined, we will not get the entrepreneur to invest his risk capital in small business and industry, especially in the country. It can be done, it does work—light industry is operating in the country and the Government has it within its grasp to encourage industry, investment and people to our inland towns.

During the recent election campaign it became very obvious that the current level of interest rates was having a terrible effect on almost every section of our community. The effects on the rural community have been well aired and documented but they deserve to be restated briefly.

Even in an old, solid, developed farming area, which the Narrogin electorate basically is, farmers and their families are being forced off their farms. In some cases these farms have been in the family for generations. No new machinery is being bought and plant is running down. Money which should be spent on improvements is being spent on repairs to old plant. The longer it goes on the worse the effects become and the longer it will take to recover from those effects.

We should consider also the transfer of money from one section of the community to another because of the high interest rates. Huge sums of money which should be spent in our towns on goods and services and providing jobs are instead going into the coffers of the banks because of the exorbitant interest rates. Likewise, small business is being very badly affected by the current interest rates. Businesses have closed in my electorate and, indeed, all over the State, as a direct result of the crippling interest rates on their operations. Very few small businesses can survive for long with interest rates on their floor plans of up to 22 per cent and overdraft interest rates of 18 per cent or more. Add to that the reduced buying power of the potential customer and the reluctance of purchasers to buy at the exorbitant interest rates and we have a very grim picture for small business.

Staff retrenchments are common and widespread and are continuing as a direct result of these high interest rates.

The other section of the community which is equally badly affected is the average working man and woman. The effect on them I believe

has been largely overlooked by Governments of all political persuasions. These people pay crippling interest rates on their house loans, and they pay at higher rates when buying furnishings on hire purchase and when buying or leasing their cars. Even worse, they seem to have to pay at higher rates of interest than the farmer or the small businessman.

I have come across cases in which interest rates on hire purchase agreements have been paid at the rate of 29 per cent. Can members believe that? It is no wonder that car sales and furniture and white goods sales are slow. Let us look at the overall result: A massive transfer of money, wealth, buying power—whatever one calls it—from the farmers, small business and the real backbone of Australia, the average working man and woman, to the banks, financial institutions and moneylenders.

The Western Australian Parliament and, more especially, the present Government must become a major voice from Western Australia to Canberra pleading the case for lower interest rates. Unless and until our present interest rates can be brought down to realistic levels, we shall not get out of the sorry mess in which we find ourselves. This Government must at every opportunity take that message to Canberra.

I move to a couple of matters which have arisen in the Narrogin electorate and are of particular interest to the people in that area. The first is the Harris River Dam; I congratulate the present Minister for his efforts to date and his commitment to the project. The news that the project has been given overall approval in the environmental impact study was good news to my electorate and, no doubt, to everyone served by the Wellington Dam. We want to hear a solid commitment from the Government that it will make the funds available to start and finish this dam. As the Minister said at a meeting in Narrogin a couple of months ago, the quality of water from the Wellington Dam is, to put it mildly, dreadful. It is killing plants, shrubs and trees all over the electorate. When one sees what it does to brass taps one cannot help wondering what it is doing to our internal parts. It is impossible to make a decent cup of tea with it and it absolutely ruins good Scotch. Now that there is a viable alternative, nobody should have to use water of that quality. I urge the Government to make the necessary commitment to get this project under way as quickly as possible in the coming year.

Another matter of particular interest to the electorate or, more accurately, to the region as a whole, is the proposed technical school. The

need for such a facility is becoming more and more urgent year by year. Children leaving school and going into the work force for the first time in the present economic climate cannot get jobs if they do not have the skills which industry and the employers want.

If they are turned out of our schools without the necessary training we are failing them and condemning them to being unskilled manual labourers at best, or unemployed persons reliant on the dole at worst. The unskilled become the unemployed; it is as simple as that.

Most children from my electorate, and indeed from the region, have to leave our towns and go to the coast, to Albany or Bunbury or Perth, if they want to get a technical education. They have to find accommodation and they are away from the guidance, help and influence of their parents at a time in their lives when it is most needed. Many of them cannot cope with the change and throw it in, thus missing out altogether on a technical qualification. Many of those who do complete the courses never return to the country so we lose many of the best of our young people completely, and eventually find our country towns are short of the skilled persons that we need because they are sent away to the coast for technical school training.

Another aspect of the situation, which I am sure is going to become worse with the withdrawal of dole payments to 16 and 17 year olds, is that more and more young people are going to remain at school in years 11 and 12 instead of joining the work force because there are no jobs available in the workplace. These are the very persons who should be going into a technical school in the country, instead of going to the city to join all the other jobless youths and potentially getting into all sorts of trouble away from their homes and parental guidance and influence. They are also often the children who would benefit most from technical training. They are often the pupils who are not very academically inclined but are very interested and capable when it comes to learning manual and technical skills. Those skills are badly needed in this country at the present moment.

I have a series of letters which have been exchanged between the Minister for Education and my electorate regarding the proposal to

establish a technical school. On 4 June 1985, in a letter to Hon. Peter Jones, the Minister wrote—

I am pleased to advise that provision has been made for its inclusion in the State funded capital works programme in 1985-86.

That did not happen. In a letter dated 6 February 1986 to the Town Clerk of Narrogin, the Minister again wrote—

I assure you that this project will occupy a place of high priority in the capital works proposals for 1986-87... I am arranging for documentation to commence before the end of this financial year.

Again, it has not happened.

The Minister's efforts in this matter are appreciated and his assurances that the project had a place of high priority were most comforting, but the results have left a feeling in the Narrogin electorate of complete disappointment. With the present situation in rural areas, where farmers are struggling to remain viable, and small business is cutting back to the bone to survive, employment for our young unskilled is almost non-existent. The decision to build a technical school in Narrogin cannot be put off again. The whole region needs the facility now. Government has given it high priority for long enough. The time has come for this Government to give it number one top priority and show that it can direct funds and facilities away from the coast and into the country. Our rural towns can take no more withdrawals of services and people from the country to the coast, especially when they are going through such harsh times as we have at present.

I make an observation in passing about the strange way in which some things are done these days by Governments of all political persuasions. If a project is being proposed for commencement—it might be the construction of a pipeline, the opening of a new mine, the building of a dam, or even these Jays the widening of a road—we demand that an environmental study be done to ascertain that no adverse effects will be caused to the shrubs and trees, the wildflowers, the birds and kangaroos, and any other flora and fauna, and that every precaution is taken to minimise the effects on the environment of the decisions which are made. However, when it comes to matters which can have an enormous effect on people, on towns, on business viability and job prospects for our children, on future developmental prospects and investment in a region, Governments and their

instrumentalities just charge in and make these decisions unilaterally, leaving those who are affected to sort out the mess. That is what has happened in Narrogin with the decision to rationalise Westrail. That is what the town is now afraid will happen with the Department of Main Roads depot. One can only ask: What next?

If decisions such as these are to be made, some attempt must be made to look at all the effects of the decision, not just the immediate dollar and cents effect on a single Government department; if in fact that is the criterion on which these decisions are made. Surely it is not asking too much for those likely to be affected by a decision to be told what is being contemplated and given an opportunity to have an input to the decision. Surely it is sensible and reasonable to ask for some independent expert appraisal of the potential effects of the decision to be made before that decision is implemented. If it is good enough for the environment, surely it is good enough for a town and its people.

All these things should be done before Government sets out on a course which has the potential to cause major side effects on people and towns in the country; or has the ridiculous situation been reached where trees and birds and the environment, are more important than people and towns? That is the way it sometimes appears out in the country on the other side of the Darling Range.

I believe Government and its departments must determine all the potential effects of a decision. The effect on a country town of the withdrawal of Government services and employees must be known before the decision is made, and steps must be implemented to minimise the impact before the decision is acted upon. It is too late afterwards.

In concluding, I say that as I stand here for the first time I am very conscious that many great citizens of Western Australia have preceded me in this House. It is because of their vision, hard work and the far-sighted decisions which they made while in this House that Western Australia has developed from a struggling colony less than 100 years ago to the strong, thriving State which it is today. This State today has a potential and a future far greater than the most visionary of its founders could have imagined in their wildest dreams. This State has a strong mineral and primary production base on which a rich and varied secondary industry, capable of servicing the markets of the world, can be developed. However the greatest strength of this State is the people of

Western Australia themselves: Hard working, a go. They are all words which can be applied to us as Western Australians, and they are the very us as characteristics which made this State what it is today, and will make us an even greater State in the 21st century. I hope I can play my part, along with all the other members of this House, in helping to turn that vision of our great State into a reality.

[Applause.]

**MR DONOVAN** (Morley-Swan) [5.10 pm]: It is with great pleasure that I rise to offer my first speech in this House, and in so doing I congratulate my colleague the member for Perth and the new member for Narrogin on their election.

Like my colleague, I specifically ask that this speech be referred to as my first speech.

In opening, let me say that it was indeed a great privilege to be elected in the by-election of 9 May by an absolute majority of the voters in Morley-Swan. I am indebted to them for their confidence, which I will do my utmost to vindicate.

Also, I am indebted to my wife and son, whose support and care for me I treasure. As well as these, a tireless team of campaign workers, too many to enumerate, who worked hard in my support, to them my heartfelt thanks and appreciation.

Let me turn first to the electorate itself so that I might give members an overview of what this seat is all about. Held for the ALP by Mr Arthur Tonkin since 1971, the seat of Morley-Swan moved steadily eastward during the next 10 years as successive redistributions changed its electoral boundaries. Losing first Mirrabooka—after which the original seat had been named—and finally gaining parts of Guildford, Midland, and much else of the Swan—after which the seat is now named—eastern Morley has remained the geographical constant of this populous electoral district.

If the boundaries of Morley-Swan have been characterised by flexibility—until 1981 at least—its demography has been characterised by stability. Recently, of course, there has been a significant expansion of home building in the north between Noranda and Beechboro, experienced noticeably under the present Labor Government.

Within these present boundaries lie some strange industrial bedfellows. The production of timber, historically associated with Guildford since 1842, has largely given way to its modern brick equivalent produced in Middle Swan. On the other hand, this State's