

be stated when the Supply Bill is introduced next Tuesday.

**INDUSTRIAL AND COMMERCIAL
EMPLOYEES' HOUSING ACT AMENDMENT
BILL**

Leave to Introduce

SIR CHARLES COURT (Nedlands—Premier) [4.00 p.m.]: In order to assert and maintain the undoubted rights and privileges of this House to initiate legislation, I move—

That leave be given to introduce a Bill for "An Act to amend the Industrial and Commercial Employees' Housing Act, 1973-1976".

Question put and passed; leave granted.

Introduction and First Reading

Bill introduced, on motion by Sir Charles Court (Premier), and read a first time.

GOVERNOR'S SPEECH

Distribution of Copies

THE SPEAKER (Mr Thompson): Accompanied by members of this Chamber, I attended His Excellency the Governor in the Legislative Council Chamber to hear the Speech which His Excellency was pleased to deliver to members of both Houses of Parliament. For the sake of greater accuracy, I have caused printed copies of the Speech to be distributed among members of this Chamber.

ADDRESS-IN-REPLY: FIRST DAY

Motion

MR HASSELL (Cottesloe) [4.01 p.m.]: I move—

That the following Address-in-Reply to His Excellency's Speech be agreed to—

May it please Your Excellency: We, the Legislative Assembly of the Parliament of the State of Western Australia in Parliament assembled, beg to express loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech you have been pleased to address to Parliament.

Mr Speaker, in moving the Address-in-Reply I am delighted to be the first in this Chamber to congratulate you on your appointment to the high office of Speaker. As I have known you for some years, I know you are a man of great integrity and strength and that you will always uphold the dignity and the authority of this Parliament.

I am pleased to place on record my thanks to members on both sides of the House for the courtesy and friendliness they have extended to me since my election. I also record my thanks to officials of the House for the help and guidance they have given me since I came here. It is encouraging to come as an inexperienced newcomer and be welcomed by members and so patiently and efficiently assisted by the staff.

It is a great satisfaction to have become the member for Cottesloe, and I thank the electorate of Cottesloe for the confidence which it has placed in me. The electorate of Cottesloe has existed since 1950, and until the 19th February last its only representative was my predecessor, the Hon. Sir Ross Hutchinson, DFC.

My congratulations go to Sir Ross on his knighthood. He had a distinguished career. He was Chief Secretary and Minister for Health and Fisheries from 1959 to 1965. He was Minister for Works and Water Supplies from 1965 to 1971, at which time the coalition ceased to hold office. From the re-election of the coalition in 1974 he was the Speaker of this House, a position he held until the end of the last Parliament. Older members know better than I with what propriety Sir Ross held that office.

Sir Ross was well known and well liked in his electorate. In the course of my own campaign I became accustomed to hearing people say how well they knew Sir Ross and how in the past he had assisted them with problems. He is also well remembered for his sporting achievements but I know he does not like that to lessen the record of his service of 27 years in this Parliament and in the Government of the State. I wish Sir Ross and Lady Amy a long and happy retirement.

His Excellency has set forth the programme of the Government of Western Australia. It is a good programme, and I believe it will command the support of the majority of Western Australians. I say that with confidence because it is a programme substantially in line with the policies presented by the Liberal and National Country Parties to the electorate prior to the election.

I do not intend to imply by that the Government has what is sometimes called a mandate to implement every paragraph and subparagraph of the policy document; but the Government went to the people with a clear policy which was fairly and properly put before the people, and I believe its main points have been endorsed by the election result.

I see those points as being four: Firstly there is the promise of strong State Government

leadership. That is relevant to the growth and success of the State. Despite improvements in transport and communications, this State is isolated; it is relatively undeveloped; it is sparsely populated, except for the one major city; and it has an economy based almost exclusively on its capacity as a world trader.

It is essential to the protection of the interests of the State that decisions made in other places in Australia and outside Australia which may disregard our economic well-being, are not made without the strength of the State Government there to ensure our interests are protected.

Secondly, there is a commitment to growth and development: not growth for its own sake, and not development for its own sake; but growth and development for the well-being of people. Development to provide employment; development aimed at ensuring that the State reaches its full potential; balanced development which has proper regard to the environment in which we live. It is hardly progressive to have an untouched environment when the only thing people have to live on is the dole.

Thirdly, there is the promise of a continuation of responsible financial policies. The broad thrust of support for Commonwealth endeavours to reduce inflation and increase employment will continue. We are now reaping the benefits of financial policies adopted by this Government. The Government can proceed without hesitation on the abolition of probate duties on a progressive basis. Other concessions promised prior to the election, such as the abolition of the personal levy, have already been fulfilled.

Fourthly, we see the promise of a growing partnership with the Commonwealth in a working federation.

It is my desire to refer to the federalism policy of the Liberal and National Country Parties. It is a clear policy which was put forward prior to the 1975 Federal election. It is a policy which was thoroughly canvassed throughout the nation. To the best of my knowledge it is the first policy document on federalism presented prior to a Federal election. It is the first time that a Federal Government has recognised that the tendency towards financial domination from the centre was so strong that the federation was being undermined, and that the tendency ought to be reversed.

I see as the key part of the federalism policy the revenue-sharing proposals which are set out in part seven of the policy document. I quote the first sentence as follows—

The Liberal and National Country Parties

propose to ensure the States permanent access to revenue raising through personal income tax.

It continues—

The new system is intended to ensure that the States will have substantially the financial capacity to meet their responsibilities.

The first stage of the programme gives to the States a fixed percentage of the total personal income tax collections. The second stage—which has yet to be implemented—allows to each State Government a discretion to impose a surcharge or allow a rebate on the rate of personal income tax in the State.

The essence of the scheme can be seen from a simple example. If a man has one dollar which is subject to taxation, he will have to complete an income tax return in which he will disclose that he has a taxable income of one dollar. He will continue to complete only one return. He will file that return with the Commonwealth Taxation Office, as he always has. He will receive one assessment and will make one payment. To that extent, there will be no change from the system prevailing since the Second World War.

Suppose that the rate of tax on his one dollar is 20 per cent. One difference he will notice on his tax form is that it will show that a certain proportion of the 20c he has to pay will go to the State Government, and the balance will go to the Federal Government.

When stage two is implemented, the individual States will have the right to determine whether the rate will continue at 20c or be increased because of special needs in the State, or be decreased.

One State may choose to give greater emphasis to other forms of taxation and therefore have a lower rate of income tax. Another State may favour personal income tax as a form of revenue raising, and increase the rate so that other concessions can be made.

What is clear is that the individual will continue to make one return, to have one rate apply to him in his State, to receive one assessment, and to make one payment. Both stage one, which guarantees to the States a fixed percentage of the personal income tax collections, and stage two, which gives the States a discretion as to the rate, are at the heart of responsible government.

The States will have to accept the responsibility for spending and raising revenue. The States will not be under direction from the Commonwealth

as to the level of tax or whether to increase or lower it. The State Governments will be responsible to the people who elected them and will have to make decisions as to priorities. Those decisions are the decisions appropriate to government, as distinct from administration. The capacity of the States to govern will be enhanced; the financial pressure to hand responsibility to Canberra will be reduced.

I see as wholly positive the results of the implementation of the federalism policy. It forces responsible Governments to accept responsibility. Canberra cannot be blamed for every incapacity to act and for every failure to perform. It allows the States to govern, to make real choices, to set priorities, and to undertake initiatives or decide not to undertake them. For years the States have had many responsibilities and little choice as to finance.

When the basic needs of health, welfare, and education have been fulfilled no room has been left for initiatives, flexibility, or the development of the role of government. It is no wonder that interest groups turn to the Commonwealth with requests and demands in fields which constitutionally belong to the States.

Their leaders know that even if willing the States have no capacity and no chance to meet their requests. Under pressure from interest and client groups, and with constant criticism from the States that they cannot afford to act in this way or that, perhaps it is not surprising that the Federal Government has taken on areas which are strictly none of its concern.

The federalism policy preserves the Federal system, and thereby prevents alienation of government from the people. It will allow Federal and State Governments to get on with their own jobs, knowing where they are going.

Public debate can then centre on the quality of government decisions and not on the argument of who is to make them; not on the issue that this decision, or that decision made by a Federal Government or a State Government, ought to have been made by the other.

Political energy can be more correctly directed towards an examination of what has been done, and not who has done it. It is my hope that all Governments of Australia—Federal and State—will live up to the commitments they previously gave in favour of the federalism policy.

The Premier of Western Australia, and the Government of Western Australia, are to be complimented on their continued support for the policy, despite some difficulties of implementation. They are to be complimented on

continuing to stand up for and stand by the principle of responsible State Government. Responsibility based in essence upon accepting the political cost of raising money it is intended, the State will spend.

As far as I am concerned, federalism is about people. It is about government to which people can relate. It is the antidote to the problem of alienation of people and their Government.

With the growth and complication of Government, there has emerged in many countries a sense of frustration amongst groups of people; a sense of incapacity to affect the decisions of Government, and the course which Governments take. People begin to feel that remote and anonymous individuals make decisions which affect their lives, but which are based on arbitrary criteria, unresponsive to local need.

I conclude by placing on record my desire to work in this Parliament for the protection of individuals. The seemingly endless growth of Government activity—the activities of unelected non-parliamentary groups, the growth of capacity to monitor and control through technological means—must not be permitted to crush individuals, to eliminate personality, and to impose conformity.

His Excellency has expressed the concern of the Government about industrial disputes. Equally there is concern about the individuals who are often the innocent victims of those disputes. He has also referred to possible law reform to safeguard personal privacy.

Both of these matters are directly relevant to the lives of individuals. In both cases the protection of the law has proved itself inadequate. I will work to see that in these and other fields effective measures are identified and implemented.

MR HERZFELD (Mundaring) [4.18 p.m.]: I formally second the motion.

Debate adjourned, on motion by Mr Jamieson (Leader of the Opposition).

ADJOURNMENT OF THE HOUSE: SPECIAL

SIR CHARLES COURT (Nedlands—Premier) [4.19 p.m.]: I move—

That the House at its rising adjourn until 4.30 p.m., on Tuesday, the 2nd August.

Question put and passed.

House adjourned at 4.20 p.m.