





WESTERN AUSTRALIA

# Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT  
SECOND SESSION  
1998

LEGISLATIVE ASSEMBLY

Tuesday, 18 August 1998

# Legislative Assembly

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**THE SPEAKER** (Mr Strickland) took the Chair at 2.00 pm, and read prayers.

## **CORPORAL PUNISHMENT**

### *Petition*

Mr Johnson presented the following petition bearing the signatures of 81 persons -

To the Honourable the Speaker and Members of the Legislative Assembly in Parliament assembled.

We, the undersigned petitioners are concerned at the increase in violent crime in Western Australia, particularly against the elderly, and ask that the Government introduce as a matter of urgency corporal punishment as a deterrent and sentence.

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

[See petition No 13.]

## **COMMON LAW DAMAGES CLAIMS**

### *Petition*

Mr Kobelke presented the following petition bearing the signatures of 206 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned express our total opposition to the move by the Court Government to deny injured workers the right to make claims for common law damages for negligence through the "second gateway" in section 93D of the Workers' Compensation and Rehabilitation Act.

To abolish the "second gateway" claims would:

1. deny many seriously injured workers the legal right to seek recompense through the common law, when they have suffered a loss due to the negligence of their employer,
2. remove an incentive for employers to improve health and safety in the workplace and thus lead to more accidents and injuries to Western Australian workers and
3. deny injured workers fair compensation for their loss and suffering so that insurance companies can make bigger profits.

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

[See petition No 14.]

## **TRUTH IN SENTENCING**

### *Petition*

Mr Baker presented the following petition bearing the signatures of 643 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned residents of the Perth Metropolitan Area DEMAND that appropriate new Legislation be introduced as a matter of priority implementing:

'Truth in sentencing' in its purest form;

Zero tolerance for all crimes - particularly crimes involving violence against the person;

Mandatory minimum sentences for violent criminals, to include, where appropriate, flogging;

Mandatory drug treatment programs for heroin addicts, with abstinence as their objective.

We, our families and our elderly, want to feel safe in our homes and places of public resort!

We demand that the punishment fits the crime.

Enough is enough.

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

[See petition No 15.]

### **ART AND DESIGN TAFE COURSES**

#### *Petition*

Mr McGowan presented the following petition bearing the signatures of 20 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We the undersigned, are strongly opposed to the reduction in funding for Art and Design TAFE courses in the South Metropolitan Region TAFE. The cuts will mean the total cancellation of part time courses at many campuses and limited classes for full time students. We are opposed to the limited range of classes being offered due to these cuts and believe that students deserve more consideration when funding decisions are being made.

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

[See petition No 16.]

### **DAIRY, POTATO AND EGG INDUSTRIES**

#### *Petition*

Mr Omodei (Minister for Local Government) presented the following petition bearing the signatures of 686 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned request that the WA Government and Minister for Primary Industry publicly state their support for the continued orderly marketing of the dairying, potato and egg industries, on the grounds there are important public benefits such as:

- stable prices to consumers
- viable incomes for producers
- guaranteed supplies to processors and
- maximum opportunities to exporters through price stability.

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

[See petition No 17.]

### **ARMADALE-KELMSCOTT MEMORIAL HOSPITAL**

#### *Petition*

Ms MacTiernan presented the following petition bearing the signatures of 3 319 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned residents of the South East Metropolitan area demand that the Government immediately abandons both its plans to sell the Armadale Kelmscott Memorial Hospital and to privatise the

management of the Armadale Health Service. We demand the Government recognises these facilities belong to our community and that they have no mandate to sell them. We call on the Government to allocate the money necessary to redevelop our hospital as a publicly owned and operated centre providing for people and not for profit.

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

[See petition No 18.]

## **GRAFFITI**

### *Petition*

Mr Baker presented the following petition bearing the signatures of 60 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned residents of the new City of Joondalup call for specific legislation to deal with the proliferation of graffiti in, inter-alia, the North-West Metropolitan area which should include provisions -

1. Making custodial parents strictly liable to pay monetary compensation or reparation for any criminal damage caused by their children who graffiti property;
2. A curfew on all juveniles after 9 pm unless they are in the care of a responsible person;
3. The banning of the sale of spray paint to juveniles;
4. Mandatory sentencing for juvenile graffiti offenders to include compulsory work with specially established Weekend Graffiti Removal Task Forces;
5. Deeming that any juvenile in possession of spray paint in a public place after dark be deemed to be in possession of the same with the intent to graffiti until the contrary is proved;
6. Removing the right to silence when juveniles are found in possession of spray paint or doing graffiti at night;
7. Increased civil and criminal protection for members of the public who elect to apprehend suspected juvenile graffiti offenders;
8. The public naming of juveniles (and their parents) who are convicted of causing criminal damage by graffiti; and
9. Prohibiting any juvenile convicted of criminal damage by graffiti from possessing spray paint for a period of 5 years after the date of the last such conviction.

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

[See petition No 19.]

## **LEGISLATIVE PROGRAM**

### *Statement by Leader of the House*

**MR BARNETT** (Cottesloe - Leader of the House) [2.13 pm]: The Government has approved a program of legislation for introduction in the 1998 spring sittings of Parliament. This outline, which I will table in the House today, provides members with an overview of the legislative program the Government wishes to be dealt with over the course of the spring sittings and the Bills it would like progressed and passed before the end of the year.

This is a continuation of the procedure adopted by this Government to provide members of Parliament and the public with a summary of forthcoming legislative change. The list should be regarded as indicative only, as other legislation may be introduced as the need arises. I table the document titled "Legislation Proposed for Introduction in the 1998 Spring Sittings".

[See paper No 92.]

**WATER RESOURCES***Statement by Minister for Water Resources*

**DR HAMES** (Yokine - Minister for Water Resources) [2.14 pm]: Many members will be aware that, with the end of winter just a few weeks away, Western Australia has experienced well below average rainfall in the metropolitan area this year. In fact, the Water Corporation advises me that the amount of water running into the dam catchments in the Darling Ranges is even worse than last year, and is one of the lowest on record. This dry spell has had a serious impact on dams and underground water supplies, and I provide the following information.

The hills dams, which supply Perth and the metropolitan area down to Mandurah and the goldfields pipeline, hold 200 million kilolitres of water. This is 20 per cent of capacity and 110 million kL less than at the same time last year.

For the metropolitan area and the towns and rural areas served by these systems to avoid water restrictions this summer, there must be 250 million kL in storage by the end of October. To achieve that we require heavy rains almost immediately.

It also means that every one of us must seriously look at our water usage. Our consumption now will determine how severe will be the restrictions should they be necessary. An information campaign will help people cut down their consumption, but a number of simple checks can help conserve water:

Abide by the daytime sprinkler ban. Although people with bores are not obliged to do this, watering during the day is a waste. By obeying the ban they set a good example.

Have a look at the meter at a time when the household is not using water. If the meter is turning, then there is a leak somewhere on the property. This would be not only costing money but also wasting a surprisingly large amount of water.

Fix leaking taps and do not leave the reticulation automatically set over winter when the water is not needed.

Gardens consume up to 70 per cent of scheme water used in summer months and, although I know many people feel that they should not have to sacrifice their gardens to the vagaries of nature, careful watering can see them through without significant damage.

The water situation is a cause for concern. The Water Corporation is developing strategies to properly manage the available water supplies and to ensure consumers will receive minimum impact should sufficient rains not fall.

The corporation has an accelerated \$150m, four-year program to bring on new supplies of underground water from Perth's northern suburbs. The first project to be completed in this program is a new groundwater treatment plant at Neerabup, which will be ready to begin supplying water to the integrated system from November.

The corporation is also investigating further opportunities to immediately expand groundwater production in response to the bad winter. In the past five years the corporation has invested \$110m in developing new sources for Perth and the metropolitan area.

The uncertainties of the weather in Australia are a major challenge for our water planners, as they are for farming communities. We must also consider the impact of large water projects on the environment.

I end by saying that although the situation is not looking good, there is a month to go within which, traditionally, we get good rainfall. If this occurs the pressure on our water supplies will be eased. If not, forewarned is forearmed.

**[Questions without notice taken.]****ADDRESS-IN-REPLY***Amendment to Motion*

Resumed from 13 August, after the following amendment had been moved -

That the following words be added to the motion -

but regrets to inform Your Excellency that the new Job Network program established by the Commonwealth to replace the pre-existing employment services has failed to provide employment services that both job seekers and employers require and expect. The lack of accessible, quality employment services for all job seekers, undermines any effort to successfully tackle the unacceptable levels of unemployment in Western Australia.

**MS ANWYL** (Kalgoorlie) [2.55 pm]: When we were last here, debate was adjourned on the amendment which appears in the Notice Paper relating to the complete failure of the new Job Network programs which have been established to replace pre-existing employment services. The Job Network's principal failure relates to the lack of accessibility and quality of services available to Western Australian people who are either unemployed or under-employed. If a Western Australian person is not eligible for benefits from Centrelink, that person is not registered as unemployed at Centrelink, nor is that person eligible for Job Network assistance, notwithstanding that he may be searching for employment. This represents a major shift from the policy position that previously existed. That means that many Western Australian people would like to access assistance from Job Network agencies, but are not eligible to do so. This in turn has meant that a complete disparity of service is offered by Job Network agencies because some of them have very strong philosophical bents towards helping members of the Western Australian public. I am thinking particularly of Mission Employment. It is sponsored by Perth City Mission which has a long and proud history of providing services to disadvantaged Western Australians. Some agencies will provide assistance, notwithstanding that they are not funded to do so. Other agencies which receive exactly the same type of payment from the Federal Government will not extend themselves to provide that assistance.

Many people who are looking for employment are not eligible for employment benefits because, for example, a spouse may be working or they may be young people whose parents are being means tested. The common youth allowance means testing starts with a parental joint income of \$23 500 per annum - hardly what one would call a high income. With the phasing out of unemployment benefits for under 21-year-olds and the increased means testing for those on Austudy up to the age of 25 years, fewer people are able to access these Job Network services which replaced the old Commonwealth Employment Service.

There are two main providers of these services in my electorate; one assists people who are not eligible for benefits and the other does not. It is inequitable that each of these agencies is funded according to the same formula and yet one, for philosophical reasons - as I said, Mission Employment is sponsored by Perth City Mission - will extend itself to provide help to everyone who needs it and the other does not. If the Federal and State Governments are serious about ensuring that unemployed people have access to employment, they should be keen to see that all unemployed people have access to job agencies. Clearly, that is not the case. We must look at these policies and see how they are working in Western Australia and ask, "Will this help to achieve full employment?"

**Mr Bloffwitch**: Did the CES ever do anything for someone who was out of work for a week?

**Ms ANWYL**: It certainly did not turn them away.

**Mr Bloffwitch**: A person had to be unemployed for six months before it would even talk to that person.

**Ms MacTiernan**: People always had an entitlement to go there and access those jobs.

**The SPEAKER**: Order! I cannot have members interjecting across the floor and taking over someone's speech even though the member is apparently trying to accept an interjection.

**Ms ANWYL**: The situation was that one could access these services, albeit they may not have been perfect.

**Mr Bloffwitch**: They were non-existent. The best one could do was access the board, take a ticket off the board, and follow up the job.

**Ms MacTiernan**: You cannot do even that now.

**Mr Bloffwitch**: You apply for a job or you look in the newspaper like any normal person used to.

**Ms ANWYL**: People in Geraldton who are not eligible for benefits do not even have that imperfect service available to them now. The sooner the member goes out into his electorate to see what is going on the better.

**Mr Bloffwitch**: I do. Has the member ever been to a job club?

**Ms ANWYL**: The member for Geraldton is confusing a job club with the Jobs Network. I hope the member will contribute to this debate if he is an expert on this.

**Mr Bloffwitch**: I will get up.

**Ms ANWYL**: Is that a promise, member for Geraldton?

**Mr Bloffwitch**: Yes.

**Ms ANWYL**: I look forward to it, and I will interject on him when he is speaking.

It is important to look at what is going on to achieve full employment from the employer's perspective. I assume that

many members opposite can relate to that. I have made the point that disparate services are being offered by these agencies, but some agencies are charging employers \$250 for each placement. If an agency places someone in a job the employer must pay \$250 to the agency. That does not seem to me much of an incentive for employers to register with those agencies.

Mr Bloffwitch: Haven't you heard of employment agencies doing that? They have been doing it ad infinitum.

Ms ANWYL: Not for the sort of work I am detailing. I have taken the time to go to the agencies to discuss this issue, and to talk to many employers. The first I knew of this \$250 fee was when an employer contacted me from a remote area of the goldfields. That employer owns a couple of roadhouses and taverns and is used to a fairly transient work force. The \$250 fee is paid only if the worker stays for a minimum period of a fortnight. Nevertheless, this employer told me they would not access the services of that employment agency because there are others out there that are free.

Mr Bloffwitch: You are right. That is called the free market and some choose to charge and some do not.

Ms ANWYL: Some government employment agencies are busy and some are not. They all receive the same funding. I find it incredible for the member for Geraldton to suggest that it is desirable that some are busy and some are not. I would have thought that the more employer contacts each agency has the better. Both the Federal and the State Government should be encouraging employers to place whatever job opportunities they may have with those agencies.

The issue of youth unemployment is a particularly perplexing area of the whole unemployment debate. The Job Network is replacing old job market programs. In addition, we have the work for the dole scheme, which is a fairly new initiative which is only just starting to be taken up in many regional areas. There is no active scheme in Kalgoorlie-Boulder, notwithstanding that it is one of the largest population concentrations outside the metropolitan area. Some moves are afoot to establish such a scheme and recently I was acquainted with the work for the dole scheme in Esperance.

Critics of the work for the dole scheme say that it will not create a single job. I do not propose to argue the merits of it now. Suffice it to say that part of the solution must be enabling young people to have access to job market programs and to jobs. Since the introduction of the Howard Government's common youth allowance on 1 July, far fewer unemployed people under 21 years are eligible to access services of Job Network agencies because of the means testing imposed on their families. The consequences of that are twofold: First, the unemployment rates will be skewed in the long term because young unemployed people will not access unemployment benefits; and, second, young unemployed people will not come into the statistics gathered by Centrelink. There is no doubt there will be a decline; however, whether it will be an accurate statistical decline is another issue. I think it will not be. As a consequence of the common youth allowance, fewer and fewer job opportunities are available for young people as a result of the end of programs like the LEAP program and of a variety of traineeships. Members have heard a lot about the Court Government's position on the youth allowance. I can recall asking the Minister for Youth questions about this issue last year. He said that he would look at it and get back to me. I am still waiting. Perhaps he can do that at some stage now that the legislation is having an impact.

The unemployment statistics for the July quarter showed a rise in the number of unemployed young people between the ages of 15 and 17 years. It rose to 29.9 per cent of those seeking work. I am sure that all members will agree that that is a high statistic. The Court Government's response generally is to say that Western Australia is the best State. That is true. If credit is due, it is due for that fact but it ignores the high rate of unemployment for young people that continues in Western Australia. The Australian rate of 29.9 per cent is higher than when the federal coalition Government came into power in 1996. The record of the Howard Government on this issue is very clear. Bear in mind that fewer and fewer young unemployed people will be eligible for benefits or assistance. Mutual obligation is so often discussed but it has made it more difficult for young people to access benefits with no increase in job opportunities. If there is no increase in job opportunities, there cannot be any discussion of mutual obligation because it is a one-sided transaction. Many people look at youth unemployment and say that it is no wonder that at a time of imposing the youth allowance, the Federal Government has defunded the Australian Youth Policy and Action Coalition.

I do not seek to take my remarks much further except to urge the State Government to take a part in the Job Network agencies and see how they are failing to perform, because I submit they are failing to perform. Disparities are showing in the services offered to people. Some agencies will help everybody and other agencies will not. That some agencies are charging employers \$250 for a worker placed and others are not leads me to question the basic levels of profit being made by some and not by others. The agencies that are providing the most service must be rewarded. However, there is no example of that having happened.

The other major issue in regional areas - I am not sure whether it is such an important issue in Perth - is the fact that



some agencies have yet to open their doors. The Commonwealth Government has funded services that have not yet managed to begin operations, and that is not in the interests of young people in country areas. They have been hardest hit by the parental means test because employment is not always on offer in their home towns and it is sometimes necessary for them to move to the employment and training opportunities that they so desperately need.

I am looking forward to the member for Geraldton's contribution. The Minister for Youth is in the Chamber and he may be able to make a contribution. What is the State Government doing about the concerns of many with regard to the performance of network agencies? What will it do beyond simply saying that this State has the lowest rate of youth unemployment? I urge the Minister for Employment and Training and any other member or minister - I implore the Minister for Youth - to take up these issues with their federal counterparts on behalf of the young people of Western Australia.

**MR BLOFFWITCH** (Geraldton) [3.13 pm]: I must comment on this amendment because it criticises a new system and, in criticising it, suggests that the old system was better. I cannot agree with that in any way.

Being an employer and having used the Commonwealth Employment Service on many occasions, over the past six or seven years I have watched it go backwards at 100 mph. About six or seven years ago I would go to the local CES and sit down with a consultant who would suggest three or four prospective employees. Remarkably, all three or four would turn up and all would be trying earnestly to get a job. In recent years I have witnessed a deterioration to the point that when I have asked for three people I have been told that only those who have been unemployed for 12 months can be considered. If I asked for someone just out of work, I was told the CES did not place them - it placed only those who had been unemployed for 12 months or more. While I did not want to exclude them, I would have liked to choose from the total range of those unemployed. I am not blaming the CES for that.

People have come to me and told me that they were getting unemployment benefits but that they wanted a job. I would go to the CES and ask to be able to employ that person. The officers would not know the person because he had been unemployed for only one month. That person would not come to the attention of the CES until he had been unemployed for six months or more. After 12 months' unemployment he would be entitled to a benefit and at that stage the CES would step in. There must be a better system for those who have just lost their job and who would like some action immediately.

For many years private employment agencies have been doing that job. When I look for a motor mechanic, I do not advertise, I ring one or two of the agencies that specialise in those tradespeople and - the member for Kalgoorlie is correct - I pay \$500 or \$600 to get a suitable person. However, 99 per cent of those whom I employ through that process are still in my employ after 12 months. They do not come in and walk out two days later; they are reliable and good. I am paying that money for the agency to vet those prospective employees to establish that they are reasonable and that I will be reasonably satisfied with them.

Ms Anwyl: Would you pay that amount for an unskilled labourer?

Mr BLOFFWITCH: I would pay that for anyone if I could be sure the person was reliable and the right sort of worker, whether that be a cleaner, a clerk or a car salesperson. The biggest problem facing employers is not the number of people available but the quality. Occasionally we employ some very good people and we appreciate them and look after them; we pay them more because we do not want to lose them.

The Commonwealth Government has tried to use the expertise of the private sector. If it has made a mistake it is probably that too much of the payment for the service is related to placing people in jobs. The member is correct: Until the agencies place people not much money is handed over. That makes it hard for them to undertake in-depth research into those looking for work. A few changes in that area could be made to allow for a more positive system. However, it is not a total disaster.

Mr Kobelke: Have you used the new system?

Mr BLOFFWITCH: We have employed only one person using the new system. We should not criticise it and say it is no good. If we have some problems with it, we should point out what they are and see whether we can solve them. There is no doubt about it: The system could work more effectively and it could be good. If it encompasses everyone looking for a job, it will be far more positive than a system that deals only with the long-term unemployed.

I commend the service, although it does have some flaws. When it first started, the Centrelink computer system completely collapsed. There was total chaos. The job agencies were online and ready to register people but they could not do anything. It was not until two days later that the system was up and working. In addition, the Centrelink telephone system has not been able to cope with the number of inquiries. One never knows whether one is talking to someone in Sydney, Brisbane, Melbourne or Perth. Nothing infuriates a Western Australian more than finding out he is talking to someone in Melbourne about a problem in Geraldton. Those problems can be addressed; it can

be a very good system. I will not throw the baby out with the bathwater; I will support this system. I have written on several occasions to my federal member outlining ways to improve the system, and that is what this House should do rather than condemn it.

Amendment put and a division taken with the following result -

Ayes (18)

Ms Anwyl	Mr Graham	Mr McGinty	Mr Ripper
Mr Brown	Mr Grill	Mr McGowan	Mrs Roberts
Mr Carpenter	Mr Kobelke	Ms McHale	Ms Warnock
Dr Edwards	Ms MacTiernan	Mr Riebeling	Mr Cunningham ( <i>Teller</i> )
Dr Gallop	Mr Marlborough		

Noes (32)

Mr Ainsworth	Mr Court	Mr Johnson	Mrs Parker
Mr Baker	Mr Cowan	Mr Kierath	Mr Pental
Mr Barnett	Mr Day	Mr MacLean	Mr Prince
Mr Barron-Sullivan	Mrs Edwardes	Mr Marshall	Mr Sweetman
Mr Bloffwitch	Dr Hames	Mr Masters	Dr Turnbull
Mr Board	Mrs Hodson-Thomas	Mr McNee	Mrs van de Klashorst
Mr Bradshaw	Mrs Holmes	Mr Minson	Mr Wiese
Dr Constable	Mr House	Mr Omodei	Mr Osborne ( <i>Teller</i> )

Amendment thus negatived.

*Debate (on motion) Resumed*

**MR PENTAL** (South Perth) [3.23 pm]: I support the motion moved on opening day. In the course of my address I will deal with four issues, some of which are of direct concern to my electorate and others of which are more global in nature. I foreshadow that in the last few minutes of my time I will move an amendment to the Address-in-Reply. First, I will cover the goods and services tax and the implications of that on the federation; secondly, I will make brief reference to the recent abortion debate; thirdly, I will cover the rise of the ugly metropolis; and, fourthly, I will sponsor an amendment in order to discuss ugliness of another kind to be covered by my final topic, which is the current role of One Nation in Australian politics today.

First, I congratulate the Western Australian Government on any role it played in producing the tax reform package unveiled last week. Australia is at the crossroads on a number of key economic and social issues, not the least of which is the need for fundamental tax reform, as distinct from anything that tackles taxation changes at the margins. We have reached the point in Australian politics and public administration where finally Governments must bite the bullet; they no longer have the luxury of doing nothing. There is some difference of opinion over the impact of allocating the goods and services tax to the States. My maiden speech in this Parliament dealt with commonwealth-state relations, and I have followed the issue intimately in the years since. The allocation of GST revenue to the States is probably as gifted a piece of manoeuvring as I have ever seen, certainly since I have been a member of this Parliament. In one fell swoop it creates the growth tax for which the States have been clamouring for so long, albeit it continues to be imposed, applied and administered by the Commonwealth, and, at the same time, it will reduce reliance on the Commonwealth in financial and fiscal matters.

I am aware that some people argue that it increases reliance on the Commonwealth. Were it not for the proposed mechanism of all the Commonwealth and State Parliaments agreeing to any change in the rate, that argument suggesting more centralisation would be valid. However, I do not think it is the case. I predict that in 20 years from now, this decision will be looked back on as a turning point for the federation. It actually reflects what is happening elsewhere in the world. For example, it reflects the strong tendency in powerful communities around the globe towards devolution. One need look only to the breakup of the Soviet Union and its return to a bevy of independent republics, to see that the historic movement away from the centre has begun. The devolution occurring in the United Kingdom is remarkable, if for no other reason than it is occurring under a Labour Government. Who would have predicted that a Labour Government would do what Margaret Thatcher found too difficult to do? Within a year there will be an autonomous Parliament for Scotland and an Assembly for Wales, and already the separate Northern Ireland Assembly has been created.

That trend towards devolution is occurring not just in Australia and the United Kingdom. When I visited the United States in October last year, I was interested to meet with a number of leading advocates and academics in Washington, who drew my attention to that being part of a worldwide trend or phenomenon. It was being identified by all sorts of people, including Japanese academics, American legislators and academics, and people who could see fundamental changes were being made to decrease the power at the centre of things. I took the opportunity at the

time of sending you, Mr Speaker, a copy of my report because there is still no standing order in this Legislative Assembly which allows a private member to table a document of that kind. Again, it underlines what is happening globally and what is now beginning to happen in Australia; that is, a return to devolution of financial affairs if the goods and services tax is introduced in the way planned. The bottom line of all that is that it proves beyond dispute that bigger in government is not always better. A bigger and centralised Government simply disfranchises ordinary people. Sadly, the people who have failed to live by their beliefs have been successive Federal Liberal Governments. Historically in Australia, they have been as centralistically inclined as their Labor counterparts. The proposal put forward by John Howard and Peter Costello the other day took my breath away. I hope to see the GST introduced in quick time.

During the abortion debate I reported to this House the views of an obstetrician who expressed alarm about the carrying out of abortions at King Edward Memorial Hospital based on the sex or gender of an unborn child. That was a matter of considerable public record at the time because it received widespread media coverage. In May, too late for me to consider in that part of the session, I received a letter from Dr Brian Roberman, the Medical Director of Obstetrics, and Senior Specialist Obstetrician and Gynaecologist at the Obstetric Clinical Care Unit of KEMH. He says in his letter to me -

I have been named in Parliament during the recent abortion debate. Some of the information given to you was factually incorrect. Currently it is stated in HANSARD that I performed a termination of pregnancy for no reason other than the fetus was of the "wrong sex" I am writing to ask if you would be prepared to correct the statement you made, HANSARD pages 2483 and 2484.

Basically the case revolves around the following points:

1. The patient in question was referred to me by two independent specialist psychiatrists who believed that she had severe life threatening depression. The psychiatrists felt the patient had a major risk of committing suicide. She had a long psychiatric history and the pregnancy exacerbated her major psychiatric problem.
2. I accepted the diagnosis from the psychiatrists, who are trained to assess psychiatric illness much better than gynaecologists. I did however, believe that my clinical assessment of the patient was in keeping with the psychiatrists. She was extremely agitated and depressed when I reviewed her.
3. Dr George O'Neill, a very competent gynaecologist, rang me at home saying he believed the psychiatrists' assessment of the patient, and mine, were wrong. I know that Dr O'Neill has no training in psychiatry but is a kind, concerned person. He was implying that the patient had been able to feign psychiatric illness as the baby was of the "wrong sex". I did not enter into a debate with Dr O'Neill as I believed it was no longer an issue which he should be involved with. The patient was no longer under his care.

Nobody likes performing terminations of pregnancy, especially when they are in the middle third of pregnancy (in this case nearly 19 weeks gestation).

A full copy of the clinical details was sent to Dr O'Neill when the patient was discharged from hospital. He obviously did not accept the diagnosis of the two specialist psychiatrists, who felt Dr O'Neill was undermining their skills in their specialty field.

A lot of heat was generated in the recent abortion debate and unfortunately a lot of mis-information was fed to various politicians on both sides of the debate.

I have never terminated a pregnancy for the "wrong sex", nor will I ever do so.

I am grateful that you have taken the time to read my letter clarifying the issue, and I hope that my name will be cleared for the record, by a correction in HANSARD.

The letter is signed by Dr Roberman.

I do no more than abide by his request, without comment, to have his denial and refutation read into the record.

The third matter on which I want to touch before I go to the fourth, which is foreshadowing my amendment, is to repeat what one might put under the general heading of "The rise of the ugly metropolis". Members are aware that the Address-in-Reply debate gives us an opportunity of airing a wide range of financial, social, moral and other issues. I will touch on a series of occurrences which collectively, at least, suggest the rise of this ugly metropolis with serious ramifications for Perth and its metropolitan area.

We often bask in the compliment that we have a beautiful city. Unfortunately, from my point of view, a number of

trends are beginning to emerge that suggest we might be slipping rather badly in this respect, in some town planning decisions, in some of our architecture, in the use of our open space, in the misuse of our open space and in what I term the cancer now growing to affect the urban environment. I offer a few examples:

Dr Gallop: What do you think of the golf range near the Barrack Street Jetty?

Mr PENDAL: It probably fits into the category I am about to describe. Indeed, the Leader of the Opposition has come pretty close, at least geographically, to some of the concerns I want to raise. For example, I have long meant to raise in this place my anger at the vandalism inherent in the construction of that pedestrian overpass about a decade ago at the end of Forrest Place near Wellington Street.

As a young journalist I was present in the early 1970s on the day Gough Whitlam promised that a Federal Labor Government would return the Padbury Buildings site to the State in order to widen Forrest Place so that it could become one of the great public forums for Australia. The concept was that, having demolished the Padbury Buildings and done a few things to Forrest Place, it would remain a place for great public meetings, but importantly, it would ensure the vista through to the Perth railway station, which is now a heritage icon, would remain. That was the intention.

As a result of this ugly plan, someone gave the approval for that pedestrian overpass to be built parallel to Wellington Street and, therefore, it obliterated the view of the old Perth railway station forever. It is a great pity that an ad hoc planning decision was imposed on an otherwise impeccable piece of planning and architectural logic. What a great pity such ugliness was allowed to occur.

I now give a second and more up-to-date example of an original concept destroyed by an afterthought; namely, the new police complex constructed at Cannington. The new building in itself is very handsome - that is not my complaint. However, the officials allowed a beautiful, open and extensive public park and lake in front of the City of Canning to be irretrievably altered and damaged by the construction of a huge police complex in that front yard. In other words, this local authority, with which the State Government obviously agreed, believed that the open space, with its vista of some beauty and its man-made lake, which increasingly looked natural as the years went by, would be better used as a site for a new police complex. That is what I mean by ugliness. The building is perfectly attractive, but a piece of public landscape has been irretrievably spoiled by the decision to build a major two or three-storey building in the front yard of the City of Canning headquarters. That site was never intended to be so disaffected.

The third example of the ugliness drawn onto us in an ad hoc way was the decision to replicate the Narrows Bridge. In other words, 14 weeks after we heard the decision to expand the bridge by widening its structure, the experts have told us that the bridge must be duplicated. I have given notice of a motion to have the papers regarding that decision tabled so that we can determine why such a major decision was changed within 14 weeks. Expanding the capacity of the Narrows Bridge, as I have said before, is 1960s thinking. It shows, in this instance at least, that the Government is in a time warp. A beautiful part of central Perth will be irretrievably altered by the decision to double the bridge to that extent. Widening the bridge will be the easy part. What will happen with the traffic to be dispersed and disposed of once it leaves the Narrows Bridge?

The woolly thinking that has crept into this issue is exemplified by a minister talking about the Bus Port being turned into a state-sponsored convention centre. Were that to occur, with a de-emphasis on bus transport in the critical juncture into the city, the point of widening the Narrows Bridge would be lost through a single silly and woolly piece of planning.

Every one of the decisions in the examples I have cited was ad hoc. No confidence is evident that this is part of any overall strategy to keep Perth a beautiful city. The decision to allow jet skis at the Narrows is part of that process. I have commented on that matter so often that you will be pleased to know, Mr Deputy Speaker, that I will not repeat the argument today; however, that is mainly because time is against me. Suffice it to say, it will be a planning and transport decision to exacerbate the ugliness to which I refer.

Finally, the latest threat to the city is the decision to allow a tourist seaplane on the river between Kensington and Heirisson Island. Only 18 months ago, the then Minister for the Environment, Hon Peter Foss, rejected a tourist seaplane venture to use the Como jetty near Como Beach. The minister said on that occasion that he refused permission because it was an inappropriate use of the river system. I publicly commended him for that stance. However, the real test will be what the Government does about the fresh application to be made for a tourist seaplane venture in the water off the banks at Kensington. I put it to the House again: This proposal sits in the mould of all the cases to which I have referred. A level of ugliness will be added to the city and the wider metropolis of Perth if approval is given for this tourist venture.

Finally, I say to people who say I want to be a killjoy regarding the river: The river is for people, yachts, canoes,

kayaks, surf cats and surf skis; that is, all the non-motorised, quiet and colourful uses, which only in a rare circumstance become a threat to the river and marine environment.

I turn lastly to an ugliness of another kind, which is the subject of an amendment to the Address-in-Reply which I shall move before I resume my seat. I understand that my colleague the member for Churchlands will second the amendment. I refer to the Governor's speech, which is the point and focus of an Address-in-Reply. Members will recall that the Governor was unequivocal and unambiguous in his rejection, and the Government's rejection, of what he called the "politics of hate and division". I applaud him and the Government for that rejection. One need not be all that politically astute to know that it was a clear reference to the rise of One Nation in Australia. In the last few days, since I prepared my amendment, several indicators outline that One Nation might be under greater scrutiny by the Australian people and media. For example, the Victorian by-election held at the weekend was a perfect opportunity, if ever there was one, in relatively conservative territory, for the policies of One Nation to take root. A high-profile Labor candidate stood, and in the absence of a Liberal candidate, a Democrat and a One Nation candidate stood. The result - with which I am very pleased, although I have few Labor sympathies - was that the by-election was a resounding success for the Labor Party. The Australian Democrats achieved an impressive vote of about 24 per cent. Most importantly, in an election in which votes could have gone anywhere, only 6 per cent went to One Nation.

Dr Gallop: To what extent do you think that was as a result of the strong position taken by the Liberal Premier of Victoria?

Mr PENDAL: It had a lot to do with it, albeit that Mr Kennett suggested that coalition supporters should vote for the Democrats. I believe that Mr Kennett had a powerful influence on the outcome. One Nation was all but brought to its knees in the by-election by attracting only 6 per cent of the vote.

I understand that in the last few days, in the wake of the Prime Minister's announcement of the tax reform package, in crucial areas of Australia in which many electorates were returning a high level of support for One Nation in polls, support has returned to other parties - in this case the coalition. That would seem to be generally accepted.

Many people who flirted with One Nation often implore people to read Pauline Hanson's original remarks. Of course, I did that, but I am sorry to say that it does not make any difference: Her original remarks were a problem and remain so. Her original speech is a mixture of the prairie populism for which she has become famous and a huge amount of dangerous rhetoric. She is especially harsh on Aboriginal people. I have my share of difficulties with constituents with troubles with some Aborigines too.

I ask this question usually of people who say that we should be taking harsher measures or taking benefits away from them. Is there anyone here who would swap places with an Aboriginal person? Generally speaking, one could not find anyone who would swap their station in life for that of an Aboriginal person. Pauline Hanson spoke of Australia being swamped by Asians. If members look at page 87 of the ABS Australian Demographic Trends, they will find listed there the various birthplaces of Australian people as at 1991. Of course, we are principally Anglo-Saxon, followed by central Europeans from where we have gathered most of our migrants over the years, and, incidentally, at whom one poked fun if they were Italians, Greeks, Slavs and so on. Only 7.2 per cent of our population is Asian born, and that demonstrates the vacuous nature of the mind of One Nation when it says that Australians are being swamped by Asians. With all due respect, one cannot be swamped by 7.2 per cent of the population. Hanson also talked about abolishing multiculturalism. I find that incredible because it has been part of this nation for the two centuries since the European settlement. Chinese people have been living on the foreshore in South Perth for longer than Pauline Hanson's family has been in Australia. For that reason, there is a great opportunity today for this House to support in a bipartisan way an amendment to the motion. It is written in such a way as to allow every member of this House to support the view that the Governor himself expressed in his speech when he opened this place last Tuesday, and to send a message as a continuation of those messages that came out of the Victorian by-election and in the wake of the GST package.

*Amendment to Motion*

Mr PENDAL: I move -

That the following words be added to the motion -

and, further, the House agrees with Your Excellency's expression of abhorrence for the politics of ". . . division and hate . . ." in your speech, and unequivocally relays to you its view that all political parties in Western Australia should place One Nation last in their voting preferences at the forthcoming federal election as a practical means of preserving and promoting racial harmony and respect in Western Australia.

**DR CONSTABLE** (Churchlands) [3.53 pm]: I begin by examining the Governor's words in some detail. I remind the House that the Governor's words quoted by the member for South Perth in this amendment were spoken in the context of the new Ministry of Citizenship and Multicultural Interests. The Governor said -

We want to see all Western Australians working together to make this great State even greater.

This cannot be done with the politics of division and hate.

This new Ministry is not so much about politics, but about principle.

It is all about Australian citizens working together for a better Western Australia and a better nation.

The Citizenship portfolio will lead to an expansion of The Living In Harmony Program - a community relations strategy promoting tolerance and understanding.

Those are two very important words - tolerance and understanding. I cannot imagine anyone disagreeing with the very powerful sentiments expressed in the Governor's address. Those words were very timely, given that we seem to be seeing a lot of divisiveness in our community these days and at times a lot of bitterness, resentfulness and even hatred. Of course, much of this has been expressed by the followers of One Nation in recent months. I know the Governor did not draft this speech - he was relaying the words of the Government in his address - so I can only assume that those sentiments are the sentiments of the Premier, the Cabinet, and, indeed, the entire Government. Quite clearly, thinking people in this State do not condone and we shall not tolerate the politics of division and hate referred to by His Excellency in his speech. Most of us would support the aim of the Government in setting up this new Ministry of Citizenship and Multicultural Interests to promote tolerance and understanding. I shall watch with interest the activities of that minister and of that portfolio in encouraging and promoting tolerance and understanding in our community at a time when it is required.

It is important in this State that we strive to achieve the racial harmony and respect referred to by the member for South Perth. With the Government setting up a new ministry aimed at promoting tolerance and understanding there must be a broad general agreement in the House with the amendment moved by the member for South Perth. I would be very surprised if the House did not support this amendment and express its abhorrence of the politics of division and hate. We have seen far too much of this divisiveness and hatred in this country in the past few years and most of it has emanated from the Pauline Hanson's One Nation syndrome. I was intrigued by the Governor's statement, "This new Ministry is not so much about politics, but about principle." A very admirable and interesting sentiment is being attached to the activities of a minister and the Government. We shall not see politics in this ministry, we shall see matters of principle dealt with. The amendment moved by the member for South Perth supports the matter of principle enunciated by the Governor.

I would like to repeat one part of the member for South Perth's amendment. He says, ". . . and unequivocally relays to him its view that all political parties in Western Australia should place One Nation last in their voting preferences at the forthcoming federal election as a practical means of preserving and promoting racial harmony and respect in Western Australia." It is very important for us to be sending a clear message to the community about this Parliament's attitude to these issues. This amendment is a clear statement of a very unambiguous principle, if there is such a thing. Firstly, we are supporting the Governor in his statement and therefore supporting the Government. Secondly, I am sure that the government side of the House will support this amendment, because if members opposite do not, they will be disagreeing with the Governor's own words which are, in fact, the words of their own Government, which would be an extraordinary set of circumstances. If the Government does not support the amendment, we will see in this House what may be an unprecedented situation: The Government will be contradicting the very foundation of its new Ministry of Citizenship and Multicultural Interests, which would be an extraordinary thing to happen. Racism is abhorrent to all sensible people because they know where it can lead if left unchallenged. It needs to be resisted in this community.

Through the news media only a few days ago we all witnessed what can happen in extreme situations of divisiveness and hatred. I refer to the bombings in Omagh in Northern Ireland which are an extreme example of the terror that can occur when people allow divisiveness and hatred to consume them. We must not let that happen here. It is important to address some of the fundamental reasons why we have seen a dramatic rise in support for the One Nation type of politics, not only in Western Australia but also in the country at large. This begs the question: Why have up to 25 per cent of people in various regions of this State and the country at large embraced the politics of One Nation? Sadly, and to the detriment of us all, clearly some people are motivated by strong feelings of animosity towards those of other races and towards newly arrived immigrants.

There is another element to this matter which is that certain lobby groups have latched onto the politics of One Nation, have encouraged them and, I suspect, have funded that organisation to a large degree. These lobby groups are dissatisfied with certain areas of government activity. An outstanding example of that is the gun lobby, members

of which, dissatisfied with the new uniform gun laws introduced in the wake of the Port Arthur massacre, have joined the One Nation brand of politics in full force.

Another large group of people which has joined this brand of politics is made up of those who have lost confidence in the ability of the major parties to solve the problems faced by the community. This is not a new phenomenon. It has been recognised for some time that large sections of the community have lost confidence in the major parties to deliver the promises they make at election time. Many people no longer trust Governments to meet the needs and fulfill the wishes of the community.

A very good example of this can be seen in the "Letters to the Editor" section of today's *The West Australian*. One page was made up of letters about the GST and every letter was full of cynicism as to the ability of the Federal Government to deliver its promises on tax reform. If one listens to talk-back radio, one hears this same element in the community coming through all the time. There is enormous cynicism about the ability of Governments to do what they say they are going to do.

Another grave area where people are fast losing confidence - if they have not lost confidence already - in the ability of the government to deliver is in the area of law and order. Since 1992 the coalition parties have been promising that they will do something about law and order. The past two elections have been largely fought on that issue; yet there are still people who live from day to day in fear of their lives, especially those who live on their own. In our electorates we see people whose homes are like fortresses because of their fear and perception of lawlessness in the community. Indeed, in many instances, this perception is based on reality, particularly in the case of elderly people. However, all of us have a sense of unease at various times and in various parts of the city. For example, this may occur when one is driving home late at night when there are no other cars on the road. There is a great sense of fear amongst many people.

Offences such as house break-ins, bashings - particularly bashings of elderly people - car theft, and bag snatching at shopping centres remind people daily that there are things to fear because of the lack of law and order in the community. We have seen the crime rate escalate to the stage where in many categories Western Australia is viewed now as the crime capital of Australia. All of this leads to a lack of trust and confidence in the major parties to deliver what they have promised to deliver.

In all of this I am reminded of some polling I undertook in 1991 during the Floreat by-election. The poll was carried out by a well-known company in Melbourne. A total of 500 people were polled in one electorate; therefore, it was a very reliable result. Eighty-six per cent of people expressed their lack of confidence in major parties to deliver what they had promised. That situation has not changed and the major parties have not done a great deal to reverse it. In many areas little has happened to change the minds of Australian voters with regard to the cynicism and lack of confidence to which I referred.

Mr Johnson: If the major parties cannot do it, who can?

Dr CONSTABLE: One can analyse what is occurring, change one's methods and improve the situation. However, that is another issue for another debate.

I agree with His Excellency's condemnation of the politics of division and hatred. Obviously His Excellency's reference is a tacit criticism of One Nation's approach to politics which I agree is seriously wanting. One way to clearly demonstrate that the politics of One Nation are not acceptable is to relegate its candidates to the bottom of every ballot paper in the forthcoming federal election. The Labor Party has declared its position with regard to the ballot papers. Some leading Liberals have done the same throughout the country. I mention the Prime Minister, the Deputy Leader of the Liberal Party in Western Australia, and the Minister for Education. I believe the Leader of the National Party in Western Australia has made similar declarations about placing One Nation last on the ballot papers.

It is very easy for people to play on the fear, frustration and uncertainty of Australians. It is important that we all demonstrate that it is not in the best interests of this State to play on that fear, frustration and uncertainty.

I support the amendment moved by the member for South Perth. It sends a clear message to Western Australians that this Parliament does not in any way support the politics of division and hatred.

**DR GALLOP** (Victoria Park - Leader of the Opposition) [4.06 pm]: The amendment moved by the member for South Perth and seconded by the member for Churchlands is one that the Opposition is very happy to agree with. It articulates a very clear view; that is, we are opposed to the politics of division and hatred. It is also based on a proper understanding of where One Nation fits into that equation and why it should be put last on the ballot papers in the forthcoming federal election.

I attended a local chamber of commerce function in my electorate two Fridays ago where I spoke to a retired businessman from Victoria Park. He is a very interesting gentleman - not of my political persuasion - who has very

high standards and makes a good contribution to our local community. We started to talk about One Nation and he told me a very interesting story. He came from a farming family and when he was a young person the farm needed some labourers, so his father employed some recently arrived Italian migrants. He remembers, as a young boy, when they first arrived how strange they seemed; they spoke another language; they seemed to have different eating habits; and they looked a little different from the normal Anglo-Saxons and indigenous types who lived in his area. All-in-all, a fear attached to his attitude to them.

However, over time as he grew up into his teenage years and worked on the farm, he came to realise that they were absolutely no different from him, his brothers, cousins and friends. They had the same fears and the same hopes. Some were good; some were not so good; and some were bad. Some were perfect and some were imperfect. He described to me how he came to the realisation that racial stereotyping can be very dangerous. This story was told by a person of great experience who lived through a period when migrants from southern Europe were targeted in the same way as some people target migrants from Asia today.

The politics of division and hate take those prejudices much further. Generalised prejudice in the community is bad enough but when generalised prejudice becomes incorporated into a party political program, society will have some difficulty with what might happen as a result of that party getting power. Those of us who have tried to analyse the One Nation phenomenon and looked at the statements it has made about history, our country and our society can conclude only that the party has embedded in its philosophy a racial understanding of Australia. That party describes it as opposition to all forms of what it calls discrimination based on multicultural policies and indigenous rights. It has incorporated those ideas into a total package and then presented it to the public wrapped up in some sort of Australian nationalism. Whichever way one looks at it, it is a very dangerous phenomenon because it racially defines our society.

I will quote a retired professor from the University of Western Australia, Professor Laksiri Jayasuriya. He will be well known to many members of this Parliament. He is well known to me from days gone by when I was an academic. He is also well known to me because he shares a passion for cricket. We spent a lot of time at the WACA a number of years ago watching his beloved Sri Lankan cricketers. He is also well known to me as one of the leading figures in Australia on questions relating to citizenship and multiculturalism. He is an adviser to national Governments on this issue. He gave a very good address at a public forum on 17 July at UWA in which he analysed One Nation. He said -

We need to recognise that the anti-Asian immigration as well as the anti-Aboriginal sentiments of One Nation manifests a new racism. This is a racism which is no longer justified solely in terms of the concept of 'race', based on biological difference; but the new racism includes racial differentiation on grounds of culture such as the possession of desirable cultural characteristics and social acceptability (e.g., language, and other personal attributes). Thus, for Pauline Hanson, the acid test of inclusion is the ability to speak English, hopefully with an accent like that of the Member for Oxley. This is, in other words, a code for cultural assimilation. Hence, those who do not conform to the norms and values of the dominant culture are excluded from being a part of the nation.

He said that this form of populist nationalism, which seeks to restore some sort of mythical conception of our identity, belongs well and truly in the past. He went on to say -

Underlying much of this flawed thinking about the emerging Australian identity is the view that treasured social attitudes and values of Australian culture belong only to those who can claim to have a lawful inheritance of these values by descent. In other words, the culturally different - be they those not born here or those who do not belong because of their race - are incapable of subscribing to these Australian values - they are 'unAustralian' and to be excluded, at least until they are fully assimilated.

Basically he has summarised well the political phenomenon that has emerged from this generalised prejudice of people in our community, following the waves of migration which have occurred in recent times from Asia and following the rising up of the status of Aboriginal people by the incorporation of their property rights into common law and our Statutes. If we are to go down that track, no doubt our society will be much poorer for it. As soon as we start to argue that we will define our nation in those terms, some people will be in and some people will be out; there will be inclusion and exclusion. We will start to see what the Governor's speech well described as the politics of division and hate.

As a result of our being members of Parliament, we have the very pleasant obligation of attending many functions of the various associations in our society. Many of them represent migrants to Australia. Members will know that the politics of division and hate are not only abstract. Every time those politics rise up, in the shops and streets there is hostility towards people who are different. Asian students and Asians generally who live in Australia find at these times that a degree of intolerance occurs on a day-to-day basis. We are talking here about not only politics in the



abstract but also life experienced in the concrete. For that reason it is important that we show our solidarity with everyone who is part of our society. It is interesting that Professor Jayasuriya went on in his talk to say something which is of profound significance; that is, that what we should share as Australians is not some racial definition but our common citizenship. He said that we should share our civic culture based on civic values such as mateship, fair-go and egalitarianism. He went on to say -

It is this sense of citizenship in a pluralistic society that recognises and respects difference, that becomes the core of our Australian identity; it is clearly not an identity based on descent or inheritance.

He said that it was an identity based on our sharing of our democratic values and of our notion of the rights and interests of all of our people. What makes our society such a vibrant and good one are the principles of mateship, fair-go and egalitarianism. Having attended many citizenship ceremonies, I think the words that he used well describe what it is to be an Australian. To those who express some doubt about the loyalty of migrants I say that it is always a tremendous pleasure to see the excitement and enthusiasm of people when they read out their new commitment to Australia. They understand very clearly what they are reading; that is, a commitment to the democratic way of life and all that goes with it. That is the sort of nationalism we should promote - one which is based on democracy, citizenship, pluralism, and multiculturalism, so we celebrate and enjoy our differences and we learn from one another's different historical experiences.

I will use some examples from our history of how we have learnt. When we look at the experience of people who lived through Europe in the 1930s and the 1940s, many of whom migrated to Australia after the Second World War, our understanding of world politics and of authoritarianism and of totalitarianism is assisted by that experience. They went through a horrific period of history and understand only too well that we should never go back to that. As a result of their contribution we are a stronger people. That is one example of how we learn from the differences that exist in our community.

How do we express ourselves on this question? The member for South Perth in his amendment has said that we can express the view but we must find some practical means of backing it up. One of the practical means of backing it up is to support our ethnic communities and to show solidarity with them. All members of this Parliament do that as best they can. In our political practice we can build in our opposition to the politics of division and hate by saying to those who have those politics that their form of politics will not be given any preferential treatment when it comes to the advice we give to people when they go in to vote; in other words, Labor has said that One Nation and all like-minded parties, such as Australia First, will go down to the bottom of the ballot paper because we do not think it is appropriate to send out a signal that those parties can be given legitimacy in our political culture and system.

The issue is to give practical means of promoting racial harmony and tell the public that, as political leaders, we will put One Nation at the bottom of the ballot paper. It is a practical way of demonstrating our commitment in this area, and the hesitation of the Liberal Party is causing concern in the community. It is also giving One Nation a legitimacy which it does not have in other States. Therefore, the Opposition is strongly supportive of this amendment because it allows us to make a statement through the parliamentary forum on our views on the politics of division and hate. The Opposition has great pleasure supporting the amendment moved by the member for South Perth and seconded by the member for Churchlands, and if this Parliament sees fit to support the amendment it will send a very good message to the community. It will be a display of solidarity and political commonsense, and it will express our support for multiculturalism and the democratic system.

**MS WARNOCK** (Perth) [4.21 pm]: I, too, am pleased to support this amendment since I abhor the politics of division and hate mentioned in the Governor's speech. I fear greatly for this country if the issue is not handled very firmly by all of Australia's civil and political leaders. It is not good enough to say, as many did at the beginning of this debate following the infamous maiden speech of the member for Oxley, that people now have the freedom to say whatever they like about anybody, however offensive, all in the name of freedom of speech. I disapproved of that view at the time, and I still disapprove of it. I speak as a journalist who has had a great deal to do with freedom of speech, when I say that in this country speech has never been entirely "free", and nor should it be. There are rules, regulations and laws which properly prevent people from slandering others and from tearing shreds off people publicly merely because they do not like the cut of their jib - their appearance, their religion or where they come from. As for the myth about political correctness and how at some time in the recent past it prevented people from having their say, that is remarkable. I was working in radio at the time and I do not remember people ever being prevented from having their say. Sometimes it was to an extent which I personally found appalling. As for the political correctness which people have apparently been so glad to shed, federal Labor leader Kim Beazley said the other day that the new political correctness is to say anything offensive about anyone without fear of disapproval. I find that idea as offensive as some people apparently found the idea that they were somehow being stifled from having their say.

People who are not part of the white majority in this country have genuinely suffered pain and damage as a result of

the politics of division and hate. It is not fun, comfortable or relaxing for people to be abused publicly as they go about their business because their face is black or yellow. It has been happening far more frequently since the member for Oxley and the Prime Minister decided to abuse the privilege of public position and deliver generalised criticism and abuse of certain groups of people, such as Aborigines and Asians. Until 1996 I was proud of Australia and its great tradition of tolerance and reasonable egalitarianism. I do not kid myself that Australia was ever totally egalitarian - it was another myth at the turn of the century - but compared with other countries it is reasonably egalitarian. Until 1996 I had been proud of that tradition, and had been glad whenever I had the opportunity to tell other people about the values in Australian society. Since that time, and particularly since the sudden rise of the One Nation party recently, not only have Asian and Aboriginal friends told me of their personal pain from the increased rate of abuse and threatening behaviour - I have no doubt about that because of the many personal stories I have heard - but also on a recent overseas visit I was frequently embarrassed because of the enormous coverage given in the media to the rise of the extreme right. I have travelled overseas a few times and have previously found that Australia is rarely mentioned. It is a long way from the rest of the world, and in Europe people often had difficulty knowing whether one was talking about Austria or Australia. However, nobody is in any doubt about where Australia is now. They have been reading about Australia frequently in the media, almost always unflatteringly. Almost the only thing they know about Australia - apart from its exotic wildlife with which people seem to be fascinated - is that it has an extreme right party, akin to the neo-Nazis in Germany, France and the former Soviet Union.

How can we cure this new ugliness? First, all political parties should put One Nation last on their how-to-vote cards. That was discussed last week, and I endorse that view again. All religious, civic and political leaders should take every public opportunity to speak against the politics of division and hate. The media, too, should be more responsible. I have worked in talkback radio and I am very well aware of the temptation to increase the ratings by raising the temperature of the debate. It is a tremendous temptation and it frequently surrounds media people. People say things are dull and the program must be livened up with an issue that causes large numbers of people to ring in and to become angry. Crime is one of those issues but, unfortunately, race has the same effect. This temptation should be resisted by my colleagues in the media.

It is not right to tell people how to make bombs and biological weapons over the air. I was horrified watching the *Four Corners* program last night on television to know that one person thinks it is acceptable to put recipes for biological weapons on the Internet. He said he was not encouraging anybody, but was telling people how to do it. I find that irresponsible and I feel that more responsibility should be exercised by my colleagues in the matters talked about today. It is not "okay" to incite hatred by generalised abuse. It was a great temptation as a radio announcer, it is very easy to do and everyone is aware of that. They learn that in the first week they work on radio. It causes anger, division and genuine problems in the community. People should not underestimate the power of words; they can be very damaging, just as they can be moving and beautiful. We cannot love everyone but we can treat them civilly, just as we expect to be treated in a civil manner. If our society is to work properly, democratically and with fairness for everyone, we must all be prepared to tolerate and understand people who are different from us. We must cultivate an inclusive society, rather than one which seeks to cast some people out permanently because of the way they look or speak. Extremists with extreme views belong on the fringe, and their views on these subjects should be totally rejected.

Mr Johnson: Does that include the left in the Labor Party?

Ms WARNOCK: It includes anyone with extreme views but I do not think the left wing of the Labor Party has extreme views, and I have spent a long time around those people.

Mr Johnson: We would differ on that.

Ms WARNOCK: I am talking about extreme views such as Nazism, and I do not believe the left wing of the Labor Party remotely resembles the Nazis and the views that have been heard from One Nation recently. One of the leaders of One Nation recently admitted he was a national socialist. I do not know of any people in the Labor Party who call themselves national socialists. I will leave the party the day that anybody says they are.

Mr Johnson: I just wonder if some of them may be communist.

Ms WARNOCK: The member for Hillarys should not be ridiculous! As he knows, communism has been dead for years. There used to be some general abuse from members opposite, even though most of us are about as left wing as many of those on his side. I am talking about extreme Nazi views. Senator Ron Boswell knows all about them. He has an honourable record on this matter. He has totally rejected the League of Rights throughout his political career. We should remember that. He is a courageous conservative who has constantly criticised the League of Rights - that poisonous organisation which has festered under the skin of this country for years. He has constantly fought that organisation. I salute him for that, because he knows exactly what it represents just as the people my leader mentioned - the people who came here as refugees, displaced persons, after the Second World War - know

about Nazism. Ron Boswell has recognised that that is exactly what the League of Rights represents. It can send me a writ any time it likes. The future of this wonderful country, Australia, this great southern land, depends on rejecting extreme views. Our strength is in our diversity and we should salute it.

**MR OSBORNE** (Bunbury) [4.31 pm]: I wish to address the amendment moved by the member for Churchlands - I am sorry, the member for South Perth. I knew it came from out there somewhere!

Mr Pandal interjected.

Mr OSBORNE: What is the expression - do not worry about the length, feel the quality? This amendment deserves the serious consideration of the House. I have great sympathy for the sentiments expressed by all of the speakers so far. I wish to see the demise of the One Nation philosophy in this country. However, members need to take some matters into consideration and proceed with caution. I foreshadow that, on behalf of the Government, I will move an amendment to the amendment moved by the member for South Perth.

Like many members of Parliament and the general public of Australia, I have been taken by surprise by the One Nation phenomenon. It has leapt up off the ground of our political landscape. It is difficult to sit down and analyse logically why One Nation has suddenly become so popular. On any sort of logical analysis it seems there is no coherence or strategy in the way the One Nation policies are put forward, nor is there any grace or understanding of the great virtues of this democratic country in the expression of its philosophy. Yet the polls which have been conducted clearly show the support for those policies, as did the Queensland election result.

Like many members, I read an article in *The Weekend Australian* last weekend which referred to the popularity of One Nation in Bunbury as the major centre of the south west region and across the south west generally in the seat of Forrest.

Dr Constable: The member for Bunbury had better ask why that is the case.

Mr OSBORNE: I would like to talk about this matter without interjection. I have thought about it and have asked myself why this is the case. I do not enjoy the implication that I am not serious about the matter.

Dr Constable: I was not suggesting that at all.

Mr OSBORNE: Curiously, the article began with an interview with a Bunbury businessman sitting in a Victoria Street cafe. It describes a scene where the man snaps his mobile phone shut - presumably after settling one more successful business deal - turns to the reporter and says he is like everyone else; he has had a gutful and will be voting for One Nation. This man has had a gutful of the economic situation of the country, of rising rates of crime, of unemployment; and all those things will cause him to vote for One Nation.

On reading what that fellow was saying, I asked myself whether there were things that we, as members of the Government, as a Government and as a Parliament, must address. On any sort of analysis, superficial or in-depth, those are valid concerns in the south west, but they are not as great as they are in other parts of the country or the world. Unemployment in the south west is relatively low. A recent Regional Development Council study demonstrated that crime levels in the south west are also relatively low. The figures are not satisfactory but compared to the situation in the Kimberley, the goldfields and the metropolitan area the incidence of crime in the south west is relatively low. We are fortunate that business is booming in the south west. Many of the small businesses in the Bunbury area have risen to significant prosperity on the backs of the industrial and mining developments in the region. As I recall, those were three key elements mentioned by the Bunbury businessman as reasons he was prepared to vote for One Nation.

On a quick analysis it seems there is no real support for the concerns that individual was expressing. This contributes to my confusion about the rise to prominence of One Nation. As Professor Julius Sumner Miller asked, "Why is it so?" People of all ages everywhere are angry and confused. By definition, the future is unknown and people are uncertain. That is especially so among people who feel powerless in a world of change. It is a cliché to say that we live in a world of rapid change. Country people, who feel they are situated far away from where business and government decisions are made, feel especially powerless in this world of change.

In regional Queensland and Western Australia the effect of regional isolation is apt to be stronger than in the south-eastern part of Australia, the so-called "purple triangle" of Melbourne, Sydney and Canberra. That is where the big business and government decisions of this country are made. I would like to think that, if the tax package is accepted by the people of Australia, some of those uncertainties will diminish. We might begin to see what we have long awaited in this country; that is, the gradual, and hopefully the ultimately significant, reversal of centralisation.

One of the factors behind the rise of One Nation is the sense among people in regional Australia that they are being left out of what is happening in the rest of the country. Every time people pick up newspapers or watch television

they sense they are not part of Australia - they are not part of the mainstream. I read *The Weekend Australian* which gives me a national snapshot of what is of interest across the nation. I am always intrigued by the fact that, when a journalist writes a national coverage of an issue, he refers to what someone in Brisbane, Sydney or Melbourne thinks. If it is an unusually wide-ranging article, the journalist states what someone in Adelaide or Hobart thinks, but he almost never states what the people of Perth think. Whatever the subject matter of the article, here in Western Australia and in regional Queensland there is a great sense that the people do not feel they are included in the mainstream of Australian political and social life. I have said it within my own party and it is a criticism I would direct to the Prime Minister. He is not unique; previous Australian Prime Ministers have been subject to the same failing. If I were a salesman and 10 per cent of my customers and 25 per cent of my profits came from a particular place, I would make sure I visited it. However, the current and all previous Prime Ministers have not come to Western Australia nearly as often as they should.

Another factor which could partly explain the popularity of One Nation is that the so-called economic rationalist push in this country has gone too far. We see the impact of that, particularly in regional Western Australia, in banking or telecommunications, for example. Always the value of economic efficiency and effectiveness is being proposed as the reason some change is being made. Another, and in my view important, value is being ignored; that is, nation building. As a country, if we are to ignore that value and make dramatic changes to organisations in our telecommunications, financial and government fields, which have the effect of centralising more influence out of regional areas such as Western Australia and Queensland, the result of those changes will be an increasing level of frustration and expression of anger.

I have looked at One Nation and, as I said in my opening remarks, it has nothing with which I am comfortable. On just about any count, what One Nation is standing for is inimical to the principles of the Liberal Party. I look at One Nation and see an organisation which is not democratic. It is an extremely authoritarian organisation. The two Davids and Pauline Hanson are the three key people. It has some murky business structure so it is not possible, for example, for a person to walk off the street and, as happens in the Liberal Party, join the branch, vote for a president, vote on a pre-selection committee, get a member of Parliament changed and, ultimately, change a government. That can happen in a democratically constituted party like the Liberal Party, but not in a party such as One Nation. On that count, One Nation is completely inimical to the democratic traditions of the party of which I am a member. The One Nation party is centralist and that is inimical to Liberal principles as well.

David Oldfield, as has already been mentioned, has described himself as a national socialist. The policies of One Nation are socialist. They talk about making economic decisions in favour -

Mr Pandal: Don't forget the Liberal Party owns those picture theatres. That's a pretty safe message, too. I believe you are going to sell them.

Mr OSBORNE: I believe they are very fine picture theatres. I have always been a little confused that we have in Bunbury a four-screen picture theatre owned by the private sector, but in other parts of the State we own them.

Mr Pandal: We could sell the picture theatres and put it into the lyric theatre in Bunbury instead.

Mr OSBORNE: The lyric theatre in Bunbury would be a very good cause. The member is drawing me down a channel which I do not want to explore at the moment.

As Australians, we have been prepared to fight against Nazism in two world wars, and I do not see why we should not be prepared to fight Nazism again. Having looked at some of the expressions of economic policy from One Nation, it seems to me that the key members are socialist, and I do not agree with them. I agree with a lot of commentators on this issue. I have looked at the immigration statements made by One Nation, and I believe it is a racist organisation.

This nation is the better for its migrants. In a sense all of us, with the partial exception of the member for Kimberley, are migrants to this country. If we go back far enough, we will even find that the member for Kimberley is also a migrant. If we are talking about migrants who arrived here, five, 10, 50 or, in another's case, 150 years ago, we will see that we were all recent arrivals to this country; we are all migrants. Fine, upstanding people, such as the members for Hillarys and Swan Hills, are migrants to the country. The country is better for migrants and we are all equal as Australians. The expressions of policy from One Nation about migration are inimical to what I believe as a Liberal.

On all those counts I do not have any personal truck with One Nation as a party; however, I ask how we should react to the One Nation phenomenon. We should not reject the people who are currently supporting One Nation. In our view, they might be wrong, but we cannot deny the feelings and fears they are expressing are real. In two cases, at least, One Nation has points we must take account of - waste in bureaucracy and community safety. In rejecting the people who support One Nation and in making our statements of rejection about One Nation, we run the risk of driving those people further into a shell and into obduracy.

I remember a song written by Randy Newman who, as members know, made famous the song about short people. He also wrote the song "Rednecks". The main character in the song is obviously a southerner and is watching a man named Lester Maddox being interviewed on television. The song opens with the words -

Last night I saw Lester Maddox on TV  
 Interviewed by some smart New York Jew  
 The New York Jew laughed at Lester Maddox  
 And the audience laughed at Lester Maddox, too.  
 He may be a fool  
 But he's our fool  
 And if you think we'll desert him, you're wrong.

The song goes on to say that all the people in that area are rednecks. The theme of the song essentially is the same as much of the message coming from those in western Queensland - Paul Hanson might be a fool, but she is their fool. If members engage One Nation supporters in a debate and ask about that, the supporters will eventually say, "You're right; but I'm still going to vote for her." If we pass this motion in the current form, we might be saying to the people who at the moment are attracted by the simplifications and certainties of One Nation, "You are just a lot of ignorant people and we haven't got time for you." We must engage them in a discussion and look at their fears, because they are genuine, no matter what we think of the basis of them, and we must do what we can to address those concerns.

As a member of the Liberal Party, I also take the view that making a decision at this point to put One Nation last on our preferences is ultra vires for me, as a member of Parliament. Earlier I said that the Liberal Party is dedicated to the principles of democracy. The fact of the matter is that the Liberal Party makes the decision about where preferences are to be allocated. I am certain that all the Liberal principles I have talked about will be uppermost in the Liberal Party's mind when it makes its decision about its preferences and One Nation. I am convinced the right decision will be made and the Liberal Party organisation does not need -

Mr Pandal interjected.

Mr OSBORNE: I think there are different ways of leading. We can jam people through a door or leave it open and persuade them to walk through it.

*Amendment on the Amendment*

Mr OSBORNE: For those reasons, I move -

That the amendment be amended by deleting all words after the word "speech".

If passed the amended amendment would read, "The House agrees with His Excellency's excellent expression of abhorrence for the policies of division and hate in his speech."

**MR BARNETT** (Cottesloe - Leader of the House) [4.48 pm]: I will make a brief comment on why I agree with the amendment on the amendment. My views on One Nation are well-known. In this case, I have expressed the view that the Liberal Party should place One Nation last. I am not backing away from that position; however, I am not a fervent campaigner for it. I simply answered a question asked of me by a journalist. I answered it honestly at the time. I have formed that view, and I stand by it. To the extent I might influence decision making within the Liberal Party, or any other party, I will urge that the decision be to put One Nation last. If there is a One Nation candidate in my electorate, I will do everything possible to urge people to vote One Nation last. However, it is not the role of this Parliament to pass motions to amend the Governor's address in such a way as to effectively instruct political parties on what they should do. That is not what our democratic system is about.

Mr Pandal: It is about leadership.

Mr BARNETT: Leadership is about individuals expressing their view if they are asked or if they choose to make an issue of it. I have made clear my view; and other members may have similar or different views. It is not for the Parliament to vote to tell the Governor what position should be taken by political parties. My position is unequivocal: The Liberal Party should place One Nation last. However, the proper role of the Parliament is to reinforce the words of the Governor and not to try to instruct political parties on what they should do in an election campaign. Therefore, I agree with the amendment on the amendment.

**MR BOARD** (Murdoch - Minister for Citizenship and Multicultural Interests) [4.50 pm]: As Minister for Citizenship and Multicultural Interests, I am afforded the opportunity by this amendment on the amendment to put on record the total support of not only the Government, but also the Opposition and the Parliament, for our multicultural community and for the strengths of our cultural diversity in Western Australia. It is a matter of public record that all sides of this Parliament endorse the fact that migrants have been coming to this State for a long time - in fact, since its foundation - and have helped to build this great State. The contribution that those migrants have

made is evident both physically and culturally throughout the State, and people can see, whether they travel to the north west, Kalgoorlie or the south west, the contribution that migrants have made in building and developing our State, in creating wealth, futures and jobs, and in creating an environment in which we all enjoy a quality of life that is second to none.

Multiculturalism may technically be a relatively new term in the history of mankind, but it basically means that people accept each other as human beings, with their diverse backgrounds, religions and cultures, and that they are all fiercely proud to be Western Australian and Australian, and at the same time are proud of their past and try to pass on some of that pride to their children so that they grow up to be proud to be Western Australian and also recognise the contribution that their parents have made to the development of this State.

I have had the opportunity over the past 18 months to go to hundreds of ethnic organisations throughout the State which celebrate their cultural diversity and are proud of their culture and of the fact that they are Western Australian first and can make a contribution to this State. I am proud of the fact that those organisations are run by tens of thousands of community workers and volunteers who work not only in their own organisations but also with the elderly, the young and the sick in the wider community, and who also raise significant amounts of money for charity and show the Western Australian community that they are proud to give something back to a community which has given them what they consider to be a better quality of life and greater opportunities for their children. Those people bring to Western Australia not only a generosity of spirit, and a sense of family and love, but also much valued skills and occupations.

One of the myths in the community is that migrants have cost the community jobs, or will cost young people jobs in the future. The situation is quite the opposite. Migration has created many jobs. The average migrant to Western Australia finds work within a short time, and generally works very hard to start a business or build up a business, particularly under the business migration program or the skilled migration program, and in many cases migrants develop large businesses which employ many Western Australians and create great wealth and a large volume of exports for Western Australia.

One of the major thrusts over recent years has been to use the strengths of our cultural diversity to connect us with other countries; and as we have become a global community, to move our exports into countries with which we already have significant contacts through migration. Western Australia has a large number of ethnic community chambers of commerce which work with their home countries to develop trade, which in turn helps to develop small businesses and creates more jobs and increasing wealth.

Recently, the multicultural and ethnic affairs portfolio was renamed the Citizenship and Multicultural Interests portfolio. I can state categorically that the aim of that change was to give greater strength to our acceptance of multiculturalism and to encourage the community to understand what is meant by cultural diversity.

Mr Pental: In its undiluted form. You have allowed the ambiguity to remain, and that is sending the wrong message to the community.

Mr BOARD: No. It is quite the opposite. The ethnic community was consulted to a great extent, and it supports and promotes this change. We talked some eight months ago about setting up a citizenship and multicultural interests council, and we have now decided to change the name of the portfolio, because the major thrust in the ethnic community is to move away from -

Mr Pental: What you have done is very good, but do you not see the ambiguity between what you have done and what your Government is refusing to do today in not supporting this amendment to the motion?

Mr BOARD: No. As previous members have indicated, that is a question for the lay party and not necessarily for this Parliament.

I have taken this opportunity to make some strong statements about the Government's position. The ethnic community wants multiculturalism to be not a celebration and a term which is used solely within the ethnic community. In fact, there has been some propensity for people to think, "Here is the rest of the community, and here is multiculturalism". We are endeavouring, and I believe we will be successful, to move the understanding of our cultural diversity and the appreciation of multiculturalism into the mainstream area of citizenship, and to drive home to the community that we have over 200 different nationalities and that is part of what we are as citizens of Western Australia. It is no longer a separate celebration, but is an intrinsic part of what we are and what we believe in. That will be driven particularly by the young people of this State, because they go to school, and they play football and a range of other sports, with people who were either born overseas or have parents who were born overseas. Therefore, our young people have a full appreciation of the strengths of our cultural diversity, and they will drive that appreciation in the future.

As the Minister for Citizenship and Multicultural Interests, and also as the Minister for Youth, I will endeavour to combine those portfolios in a strong and positive way. I have already been challenged by the Minister for Education to combine my portfolios with his civics program in schools in order to bring home to our young people what it means to be a citizen of this State and to give them a full understanding of their responsibilities as citizens. I believe one of their responsibilities is to understand and appreciate the facts about migration and the strengths of our cultural diversity.

I am also exceedingly proud that government programs such as Living in Harmony have been adopted into the wider community. Although people talk about money and grants and how much goes into the programs, the strength of this program is that it is endorsed by the wider community. It is endorsed by businesses and by people who want to endorse it morally - that is, not because money is associated with it, but because they believe in it. We have been able to push the snowball of harmony over the mountain for it to grow as it rolls down. More than 10 000 charters are hanging in Western Australian businesses and government agencies, and the number is growing as I speak.

Such is the success of the program that has now been adopted as the national program. It was launched by the Minister for Multicultural Affairs, Hon Philip Ruddock, last Friday. Unfortunately, to some extent it was overshadowed by the release of the tax package on Thursday; that was a difficulty in the timing of the release. However, it is a substantial program with large resources and, as acknowledged by that Minister, it is based on the Living in Harmony program in Western Australia. It means that the program that we have been running for 12 months will attract many Australian businesses. At the launch we saw the Australian Cricket Board accept the Living in Harmony charter, and it will bring the charter into cricket in Australia. Woolworths and various other corporations will accept the charter and the philosophy and theory behind it.

I have taken the opportunity to put some messages on the record, but the primary, important fact that needs to come from the Government, the Opposition and Parliament is that we are united in harmony and that we are united in our appreciation of and total support for our cultural diversity and our total support for the contribution that migrants have made to this great State of ours, and that we work together in making our community peaceful and harmonious. I believe that we are one of the envies of the world. One reason that millions of people want to migrate to Australia but are unable to do so because of the numbers that we accept is that we are a democracy and a country of fair-go and that people can build their futures regardless of race or religion. From that point of view, we have much to be proud of. We also have much to protect.

Yes, there are people in our community who have questioned the strength of that diversity, those who have got hold of incorrect figures, those who feel threatened by change, and those who feel that, for some reason, their community is no longer as strong as it was. Most of those assumptions are totally incorrect. My job in this new portfolio will be to make sure that the right messages come through and that we are able to dispel those myths and to demonstrate to those who are concerned about their community that we have gained from migration, that we have gained strength from that diversity and that we move forward into the next century particularly led by our young people in a very strong and harmonious State.

**MRS van de KLASHORST** (Swan Hills - Parliamentary Secretary) [5.03 pm]: At 7.30 tonight I will attend a naturalisation ceremony at the Shire of Swan. I go to Mundaring and Swan ceremonies whenever I can. It makes me very proud to see people present themselves for naturalisation. At the Shire of Swan, members of Parliament are asked to give a brief address. My address usually says, "Welcome to this great country, but hold on to your traditions. Hold on to your culture while embracing the new traditions of this country."

People who move from one country to another are very brave indeed, and I know that from personal experience. I know also division and hate against migrants as personal division and hate, because I have had it directed at me as one person in this place who was born overseas and is a naturalised Australian. It would be interesting to know how many people who are born overseas actually make it to this place.

In 1951, my parents - my mother was 52 and my father was 53 - decided to migrate to Australia. We were some of those £10 post-war migrants. We arrived here in 1951. Think about it: Think about leaving everything in middle age - leaving one's family, extended family and everything that one knows and stepping onto a boat and a month later arriving in Western Australia. One has no friends, family, relations - no-one at all to count on. The only person one can count on is oneself. We did that, and many thousands of people before and since have done that.

Mr Riebeling: The member for Hillarys came here not as £10 migrant but as a £10m one.

The ACTING SPEAKER (Mr Sweetman): Order! The member for Burrup.

Mr Johnson: I was a very brave immigrant.

Mrs van de KLASHORST: This is my speech, fellas! My parents believed that Australia had a future not for them -

they were in their 50s, although it turned out that there was a future for them - but for their children. I am proud to stand here today because I vindicate my parents' coming here and the effort that they put into it. I am rather proud that I was not born here and that I made it to this place. One of my brothers ran a series of businesses throughout Australia and employed many people. My other brother works as a consultant. At the moment he is working for Channel 7 and is running his own business in Victoria. All three of us have succeeded because Mum and Dad had the guts to leave everything and come to Australia.

In 1951, Australia was a different place. I arrived off the boat, was sent to Princess May school in Fremantle, and was immediately put into one corner. The Italians were in one corner, and the Dutch, Germans, French and English were in the other corners. We were not welcomed in this country by the average Australian or by the teachers in the school. There was massive discrimination against us. That is what made us strong. We knew that we had to succeed in a new country. We lived in a shed because we did not have a house. When I was 13, I knocked off school every night and made cement bricks with my brother, and my mum and dad would lay the bricks on weekends to build our house.

Australia was not a nice place for migrants in those days. That is why most migrants succeeded. In Midvale, where I used to sell Avon products and which is in the area for which I am now the local member of Parliament, there were the Italians with their beautiful houses, beautiful stones, wonderful tiles and lovely gardens. Some Australians complained about how well the Italians got on. They got on for the same reason that we and my father-in-law got on - because we had to. We had no support - nothing. Australia has now changed for the better because migrants now are assisted and welcomed. The division and hate of any people, not just One Nation supporters, is demeaning to all those people who have come to Australia.

I want to boast about one matter: I have two Australian-born sons. I married a migrant - a Dutchman. We held hands and were naturalised together at the Shire of Swan, where I shall go tonight. I might be a rare migrant mother, because three members of my family have won the Australia medal. My husband won the Australia medal for 30 years' voluntary community service as a fire control officer, and both my sons have won the Australia medal for 15 years service to their country in the Royal Australian Navy.

I was asked to address the Mundaring Anzac Day service. I said to them that I walked with pride following the Anzac Day parade because I felt a link with the Anzacs through my husband and my sons, because all of them would die for this country. I have a son in the Royal Australian Navy and a son who is a policeman. They work every single day of their lives for this country and we are a typical migrant family in Australia. We are the people who from the beginning have slowly built Australia to what it is today. Migrants have brought their foods, some of their culture and traditions and melded these to make Australia the wonderful place that it is. Let us not forget that we live in God's own country. When I returned to Western Australia from visiting America, Holland, England and Canada I said, "Thank you, Lord." We live in one of the best places in the world and sometimes we forget that.

Several members: Hear, hear!

Mrs van de KLASHORST: A lot of people who live here do not understand that. I agree that One Nation is a divisive party. My mum and dad sold up and came to Australia in 1951 because we had democratic rights. Part of this right is to vote and form a political party. Although I do not agree with Pauline Hanson or her party I will not say that she does not have the right to form that party just like everybody else.

Mr Pental: That has nothing to do with the amendment.

Mrs van de KLASHORST: The amendment that the member for South Perth is trying to have passed asks this Parliament to make a decision on voting preferences. Let us look at this issue laterally. I could move a motion tomorrow to place the Greens (WA) or the Australian Labor Party last on every voting ticket in Australia, and that motion would be passed because I have the numbers in this place. However, it would be wrong for me to bring that sort of a motion into Parliament, because I do not believe this Parliament should make that sort of decision. That decision could be turned around and used as a precedent, and so I will not support the amendment moved by the member for South Perth.

Anything that causes division and hate in this country must be stopped. However, the way to stop it is not to move motions; it is to go into the community and do something about it. A man telephoned me and asked when I would be standing in the middle of the street and condemning the actions of One Nation. I said to this man that I would when I have the time; I said that I was busy in the offices of Ministers, the Police Department and the Ministry of Justice working my butt off for him and I did not have time to stand up and scream about it. If more people did that we would not have parties like One Nation or people like Pauline Hanson. Government and opposition members should get off our backsides and work hard and prove to the people of Australia that we and our policies are good enough for them to vote for.



When I was preselected, Barry MacKinnon was the leader of the Liberal Party. He received a hate call about the Liberal Party's endorsement of someone with a foreign name, and who was born in a foreign country. Parliaments have benefited from having people like me and other non-Australian-born people as members because by melding together we make a much better Parliament.

I support the member for Bunbury in his abhorrence of the policies of division and hate. That is my philosophy in life. I have been at the receiving end of such hate. All we need to do is work as hard as we can to keep Western Australia the best place in the world in which to live. I will be doing my part to continue that.

**MR AINSWORTH (Roe)** [5.14 pm]: After listening with some interest in my office to the member for Swan Hills, I was prompted to comment on some of the issues she raised. I agree with her for several reasons. Firstly, I have a mixed background going back a couple of generations. I am rather proud of the fact that one of my ancestors was Portuguese, because it adds extra colour to my background, of which I am very proud. I will not go into the details of how my ancestor emigrated to Australia. Although it is interesting, it is not the point of the exercise.

A couple of weeks ago a friend of mine from Perth telephoned to say that he would be in Esperance undertaking some work for the government department for which he works. We agreed to meet for dinner that evening with our respective wives, one other local couple, and my friend's colleague, who is a lady from one of the former Yugoslav states - a part of the world which has been subject to so much racial hatred in recent times. After meeting this lady and hearing the stories of how she and her husband, and also how her sister before her, had come to Australia, I reflected on how those people would fit in under the policies proposed by One Nation. It struck me that none of the people I spoke with that evening would have been eligible to enter Australia under One Nation's proposals.

My friend, who is a senior hydrologist with Main Roads Western Australia, comes from Borneo and as an Asian would have found it difficult to emigrate to Australia under the proposed rules. Likewise, the lady who is working with him designing bridges - she is an engineer - could not speak English when she came to Australia and neither could her sister. Her sister works in the Perth Mint designing the gold coins, from which Western Australia is making a lot of money. However, on the basis of the proposal that immigrants must speak English when they arrive, or should not come from Asian countries, none of those people who are in highly paid and important positions in our State would be eligible for entry into this country. That is crazy. There must be thousands of similar examples; I have quoted only one or two that I heard during one evening. Such shortsighted and stupid policies would have prevented those people coming to Australia. They have contributed greatly to our community and have never been a drain on our taxation system by receiving welfare benefits. They have contributed in many ways not only to the income and positive development of this State but also to the ethnic diversity that makes it such a rich place in which to live. Those things would have been denied us had these policies been in place. If they were introduced, this would be a very inferior place. I am sure that all fair minded Australians would agree with that.

While that may not be the subject of the amendment, I have strong feelings about the issue. I listened with great interest to the speech of the member for Swan Hills and it prompted me to make those comments.

**MR RIPPER (Belmont - Deputy Leader of the Opposition)** [5.19 pm]: For all the rhetoric from members opposite about multiculturalism, anti-racism and all their professed opposition to One Nation, we cannot get them to commit to putting One Nation and like-minded parties last on how-to-vote cards in every state and federal electorate. We cannot get them to take the one practical step to implement that position. We cannot get them to take a moral stand or show any leadership.

Dr Constable: We must ask why.

Mr RIPPER: We must. I will address that question later in my remarks.

Members opposite have presented a series of weak excuses: They cannot put One Nation last on how-to-vote cards because that is not the traditional way the Liberal Party makes that sort of decision and they cannot pass the member for South Perth's amendment because that is not a traditional use of the Address-in-Reply. They are weak excuses. Members opposite are putting process and mere tradition above the necessity to take a moral stand against racism.

I will remind members opposite of the phenomenon with which we are dealing. When I spoke earlier in the Address-in-Reply debate I quoted from Pauline Hanson's infamous inaugural speech. I remind members of that speech because we must constantly have in our minds what we are facing. We are not dealing with mere foolishness; we are not dealing with policies that are simply wrong; we are not dealing with policies that would be damaging to this country's national interest: We are dealing with a moral evil - racism. That puts One Nation beyond the normal processes and requirements of traditional, mainstream debate. That is why it is irrelevant when members opposite say that the Liberal Party does not make preference decisions that way. That is why it is also irrelevant when they say that Parliament does not normally pass amendments such as this. Those considerations apply to political debate in the mainstream. We are dealing with something beyond the pale and outside the mainstream, and it should not

be subjected to the traditional niceties of processes that apply for mainstream political parties. In that speech Pauline Hanson stated -

I believe we are in danger of being swamped by Asians. . . . They have their own culture and religions, form ghettos and do not assimilate. Of course, I will be called racist but, if I can invite whom I want into my home, then I should have the right to have a say in who comes into my country.

Pauline Hanson quoted a former member of the Australian Labor Party, Arthur Calwell. I am ashamed of and strongly disagree with the following comments attributed by her to that former member -

Japan, India, Burma, Ceylon and every new African nation are fiercely anti-white and anti one another. Do we want or need any of these people here? I am one red-blooded Australian who says no and who speaks for 90% of Australians.

That quote is awful enough, but Pauline Hanson went on to say -

I have no hesitation in echoing the words of Arthur Calwell.

If anyone doubted Pauline Hanson's and One Nation's racism, that quote alone should settle the issue. We are not dealing with something that should be subjected to the normal processes of mainstream politics. We should take a moral stand and show leadership.

If members opposite really believe what they say about multiculturalism and anti-racism, they should take the practical step of advising their supporters to vote accordingly. They should advise them to vote in line with their rhetoric. So far we have seen a marked reluctance on their part to do so.

That illustrates a failure of leadership, principally by the Premier. He has put his senior ministers and the Minister for Citizenship and Multicultural Interests in a difficult position in this debate. They have gone along with his position, so his failure of leadership is cascading down through the Liberal Party. This failure on his part increases One Nation's support. If we offer a political party such as this a grain of respectability, we increase its support, and some of that support comes from Liberal Party ranks. From a practical political point of view, I cannot understand why members opposite continue to take this stand. They are saying to their supporters that they have permission to vote for One Nation. The party's more principled supporters will desert it because of the stand it is taking. It is a question of morality and leadership but, from a political strategy point of view, I cannot understand this approach.

Perhaps another form of analysis is being conducted deep within the Liberal Party. I might be kind when I say that this represents a lack of leadership or a failure in the Premier's capacity to act. There might be a more sinister explanation. Perhaps members of the Liberal Party will not rule out gaining political advantage by doing preference deals with One Nation. After all, that is what happened in Queensland. The Labor Party saved many Queensland National Party seats threatened by One Nation candidates. In return, the Queensland National Party gave Labor Party seats threatened by One Nation to that political party. The Labor Party paid a high price in Queensland for its refusal to do a preference deal with One Nation: Six sitting Labor members lost their seats. The Labor Party took a moral stand knowing there would be some cost.

Some people in the Western Australian branch of the Liberal Party might look at the Queensland results and determine that they can win a seat or two from the Labor Party if they go soft on One Nation and leave open the possibility of a preference deal. That is a possible explanation for the Liberal Party's refusal to take the stand that one would expect it to take given the rhetoric of its Deputy Leader and the Minister for Citizenship and Multicultural Interests.

I listened to the Minister for Citizenship and Multicultural Interests, and I have heard him on numerous occasions, urge bipartisan support for multiculturalism and opposition to racism and the policies of One Nation. However, his rhetoric is hollow. How can there be bipartisanship on these issues when what the Liberal Party says is different from what elements of the party threaten to do? How can we have bipartisanship on these matters when people in the Liberal Party could be working on preference deals with One Nation to deprive sitting Labor Party members of their seats? Members opposite cannot urge genuine bipartisanship on this issue and that we send a united message from both sides of politics and this House while they leave open the possibility of doing preference deals to deprive members on this side of their seats. The calls from members opposite for bipartisanship and their rhetoric about racism and multiculturalism are just that: Rhetoric. It is hollow unless they are prepared to take this moral stand.

Is this all just political fluff and debate or is it more important? It is more important because the rise of One Nation can harm this State. The Queensland Labor Government has had to convince Asian investors and tourists that it is okay to invest in Queensland, despite the prominence of One Nation. This State depends heavily on investment from Asia and on marketing commodities to Asia. We need that Asian investment and those markets. We have benefited for a long time from the contribution of Australians of Asian heritage. For sound, practical reasons we should be

worried about the possible rise of One Nation. However, it is not for those reasons we should act; we should act for reasons of morality and ethics. If we need additional reasons for action, the State's interests are also at stake. While the Premier refuses to take the moral stand that we are calling on him to take, he is putting at risk not only our economic interest but also our community interests. This issue is about the type of community we want to promote and about tolerance and social cohesion. It is about easing the fears of people of Asian background about their future rights and their opportunity to make a contribution to Western Australia.

It is time for the Liberal Party to stop ducking and diving on this issue and to put its own rhetoric into practice. It is time for people in the Liberal and National Parties, who believe that One Nation is beyond the pale and that, by its racist views, it is outside the mainstream of Australian politics, to turn their rhetoric into reality by advising their voters they will put One Nation last on all coalition how-to-vote cards in every state and federal electorate.

Coalition members will continue to bleed on this issue until they make that decision. I hope they do not have people in their party who want to make a deal with One Nation, although I fear they do. If they have those people I hope they will prevail in their internal party councils and persuade them that the interests of their State and their parties are consistent with putting One Nation last on their how-to-vote cards.

The Premier's role is critical. He has failed to display leadership to date. While he fails to display leadership, out of embarrassment other people who might be able to offer a lead on this issue have been forced to go along with the silly amendment moved to the amendment moved by the member for South Perth. I thank the member for South Perth for raising this issue once again. I can see that he is not in the Liberal Party because he is prepared to take the type of stand on this issue that the rest of the Liberal Party is apparently unable to take.

**MR KOBELKE** (Nollamara) [5.32 pm]: If carried, this amendment on the amendment would leave the motion before the House to read -

and further, the House agrees with His Excellency's expression of abhorrence for the politics of "...division and hate..." in his speech, . . .

That would be a fairly lame motion because it would be emphasising something that is already in the Governor's speech and with which the Address-in-Reply agrees. It does not make much sense to agree to this amendment to the amendment because we would not be leaving the House with anything of any substance other than a mere highlight on something that is already in the Governor's speech and, therefore, the subject of the Address-in-Reply.

The amendment on the amendment leaves out the second part of the amendment which is -

and unequivocally relays to him its view that all political parties in Western Australia should place One Nation last in their voting preferences at the forthcoming federal election as practical means of preserving and promoting racial harmony and respect in Western Australia.

As some members opposite said, that clearly is political. However, it is not exceptional for the Governor's speech to contain something that is political. The tone of the Governor's speech this year was political in relation to law and order because the Government wanted to make a political point.

However, this amendment seeks a clear statement from this Chamber concerning what the major political parties should do to counter One Nation. That would be a correct thing for this House to do if we see One Nation as being outside mainstream politics in Australia. If we do not, if One Nation is simply another political party with which it is okay to wheel and deal whereby it gains some advantage in one place and other parties gain an advantage somewhere else, members could not support the original amendment.

If members believe that One Nation is not in the mainstream, that its whole thrust is destructive of democratic politics in this nation and of the fabric of our community, they will not be able to vote for this amendment to the amendment. They will see it as proper for this House to declare a clear position on preferences before the forthcoming election.

Hypothetically, if a political party, like some we see in other parts of the world, advocated political change by resorting to guns and bombs, killing innocent pedestrians and citizens and creating terror to achieve their goal, would anyone in this Chamber not be willing to support a motion that all political parties put it last on their preferences because it was known to support a group seeking to use violence and terror in Australia?

Mr Pandal: Or the party responsible for the Omagh bombing.

Mr KOBELKE: That is exactly right. I thank the member for South Perth for his interjection. However, we are not dealing with something as extreme as that, but with a party that is about dividing this country. All political parties - the Labor Party is guilty of it, although to nowhere near the extent of this Government - have used doublespeak. However, from One Nation we are hearing close to the ultimate in doublespeak. Its name is One Nation when its

primary objective is to divide Australia and to use the politics of blame and hatred in order to advance its cause. I, and the other members on this side of the House, including the Independents who have been involved, clearly see One Nation as being totally outside mainstream politics. Regardless of the differences I have with the Independents and the differences on policy issues with the Government - they are many and very deep - I do not think this nation is put at risk with a Liberal-National Party Government to the same extent it would be if One Nation became a key player in federal or state politics.

This amendment is a clear statement that this House believes that One Nation should not be part of mainstream politics in this country. The amendment on the amendment seeks to deny that. I therefore take it that those on the government side who support the amendment on the amendment are saying they want to deal with One Nation and that they are not prepared to exercise real political leadership by making a clear statement of policy that all major parties should ensure that One Nation comes last for the purposes of preferences.

One Nation has effectively fed off a range of problems confronting Australia. People's problems and concerns are genuine. One Nation has effectively used the right language to touch the pulses of people worried by those problems. However, as we all know, it is unable to offer a workable solution. However, it has effectively touched on many problems about which people are worried. I put to the House, as was put well by the Deputy Leader of the Opposition, that the biggest problem is lack of leadership. Earlier this year the Deputy Premier said to the Press that lack of political leadership is the real problem. I agree with him on that count. The amendment to the amendment is further evidence of a lack of leadership at the state level.

Many people were very pleased when the Deputy Leader of the Liberal Party made comment to the Press that he believed the Liberal Party should put One Nation last in its preferences in all seats. That was a statement of leadership. Unfortunately, we see him today step away from that comment. The political reality is that such a statement holds a mirror up to the Premier from which his lack of leadership is starkly obvious. As a result of the eternal embarrassment caused by the comment by the Deputy Leader of the Liberal Party, he has walked away a little from his important statement. I regret that he has been put in a position in which he cannot continue to uphold his statement, which was given much media coverage. By not supporting the amendment moved by the member for South Perth, the Deputy Leader of the Liberal Party can no longer urge all members of Parliament to have our political parties put One Nation last in preference allocation. That clearly shows up the lack of leadership from the Premier.

I paraphrase the Deputy Leader of the Opposition when he suggested that leadership is about more than simply standing up as an individual and stating one's case. Leadership is about having a set course on a principle, and doing something to try to achieve that aim. Otherwise, it is empty sentiment. One must be willing to make a commitment towards the principle one espouses. We find that the Deputy Leader of the Liberal Party, for whatever reason, has had to shed that mantle of leadership - it has faded because the heat became too much for him. He must stand behind a Premier who only knows how to lead from behind.

The Premier has been asked repeatedly to go on the record declaring that he wants his party to put One Nation last. His refusal to do so has heightened the public perception of the weakness of this Premier. I can only guess that he is unable to take such a stand against One Nation because he believes some political advantage could accrue, or that such a stand will threaten his numbers in the party. However, the weakness of the Premier is clear in not confronting the major issue of Liberal Party preferences in relation to One Nation. The Premier thinks there is some political advantage in playing footsy with One Nation. As the Deputy Leader of the Opposition said earlier, that is a very risky game. It is risky for the future of our State and the rest of the nation because of the division and hatred that will be caused through the furtherance of One Nation. That game is dangerous for the Liberal Party, as was well outlined by the Deputy Leader of the Opposition. The Liberal Party played that game in Queensland. Although that is a different political scene, playing footsy with One Nation in Queensland caused the Liberal Party to lose a considerable number of seats. That situation may unfold here. Playing footsy with One Nation could result in the Liberal Party in WA being bitten.

In conclusion, I take issue with two other speakers in this debate. I refer to the Minister for Citizenship and Multicultural Interests under his new title. I have a great deal of respect for this minister, who has worked hard in multicultural and ethnic affairs. He is the hardest working minister in this Government in the number of meetings he attends. I see him at almost every second social function I attend within ethnic groups. He has given his time and commitment and worked hard to espouse causes of various ethnic communities in this State.

Unfortunately, it is with some regret that I find he has been caught out on a limb, which he appears to be sawing off. He has called for a bipartisan approach. Members on this side of the House are keen to continue and further that bipartisan approach, which largely has been adopted in this State in relation to multiculturalism. However, one cannot ask for a bipartisan approach while not supporting the original amendment before the House. If that is not supported, one is saying, "We want to play footsy with One Nation. We want to seek some political advantage

through preference swaps and other deals with One Nation." The Minister for Citizenship and Multicultural Interests knows the vehemence the ethnic communities feel against One Nation. However, the minister is playing himself into an invidious position, which counters the excellent work he has done in his time as minister. I am very concerned that the minister has not been able to show leadership. I do not know whether he has been nobbled by his ministerial colleagues, or whether internal politics are so rough that he is unwilling to make a strong statement. The minister said that he will put One Nation last in preference allocation in his electorate. If he can see some significance in putting One Nation last in his electorate as a point of principle, how can he deny that the same principle should apply to the Liberal Party in all seats?

Mr Johnson: Is each member in the Labor Party allowed to choose or dictate preference flow, or is it determined from head office?

Mr KOBELKE: It is centralised.

Mr Johnson: It is exactly the same as with the Liberal Party. Until such time as it makes a decision, the individual members of Parliament cannot say where their preferences will go.

Mr KOBELKE: I take the member's point. As members opposite have done repeatedly, he is trying to use an administrative alibi. Members opposite refuse to face up to the crucial political issue in the State and the rest of the nation. Administrative control did not stop Jeff Kennett from telling the Victorian Liberal Party what he wanted. Lack of leadership in this State is clearly reflected in the polls, which indicate huge support for One Nation. Support will fluctuate as polls are volatile. Nevertheless, for one weekend, 24 or 25 per cent of those polled supported One Nation. One must ask why.

A Victorian by-election was held on the weekend, and by-elections usually allow minority groups and extremists to acquire a few extra votes. However, One Nation did not even gain 6 per cent of the vote in that by-election. Why? One need only look at the record of Kennett and his strong stance to ensure that the Victorian Liberal Party put One Nation last in its preferences. If the Western Australian Liberal Party believed this to be an important issue on which leadership is needed, the local areas would fall into line regardless of the organisational structure. If the Premier and the Liberal Party leadership decided that, in the interests of this State and the party, the party should put One Nation last on the ballot papers, members opposite would do so regardless of the organisational arrangement.

Mr Johnson: The Liberal Party did not even field a candidate in that by-election; they could not direct preferences anywhere anyway.

Mr KOBELKE: I am trying to address this issue in a rational way; that interjection is totally irrational. The point to arise from that by-election was that Kennett's strong leadership ensured that One Nation never got off the ground with any sizeable vote. One Nation was polled as securing 24 per cent of the vote in Western Australia because of weak leadership on the allocation of preferences.

The Liberal Party's not fielding a candidate created an environment where one expected One Nation to do better. A lot of true-blue Liberal voters would say, "This one does not count. One Nation - another pig in a poke, so what? It is a one-off, we cannot win." The whole climate should have been one in which One Nation could have flourished, but it did not. For the minister to come out on a point of principle and say he will put One Nation last in his electorate but is not willing to stand and say it should be done by the Liberal Party in every electorate shows up the minister. I say that with some regret because he has worked very hard in his portfolio and up until now he has had some good achievements.

The member for Swan Hills spoke from the heart, spoke very well and gave an excellent example of her own family regarding the wonderful contribution that migrants have made to Australia, particularly those who came after the Second World War. I applaud the member for Swan Hills for what she said. However, she failed to address the issue because what is needed to deal with the problems facing this nation and One Nation is to give leadership. One cannot simply say, "I can see the tremendous contribution that migrants have made. The problems that migrants of that generation had to confront and the prejudice which they had to wear has no place in modern Australia", and then when it comes to the test simply say, "I am not willing to go on the record and vote in this Parliament that my party should put One Nation last in every electorate." What the member for Swan Hills is saying to the Liberal Party is, "Let us play footsy with One Nation."

Mr Johnson: No, that is not what she is saying.

Mr KOBELKE: That is the logical conclusion of not being willing to vote for the amendment in its original form. The Liberal Party is saying that it is going to play footsy with One Nation and do some deals. I do not mind that at all. Quite logically that then leads one to saying that the Liberal Party feels that One Nation can fit into mainstream politics in this nation. I reject that totally. The politics of blame, hatred and division have no place in this State or

this nation. If we are to make that a statement, we must defeat the amendment on the amendment and carry the original amendment which makes it absolutely clear that the Independents and the major political parties which have members in this place will have no truck with One Nation and, therefore, are asking all political parties and individuals who currently sit in this place to put One Nation last at the forthcoming federal election. To do otherwise is to give credibility to One Nation and ensure that it continues on the ascendancy when we should ensure through a range of means that we undercut its support base and offer leadership in this State and this nation.

**MR PENDAL** (South Perth) [5.53 pm]: I genuinely regret that the Government seeks to water down this intended expression of opinion on the part of the House. Let members ask themselves what it is that the Government cannot bring itself to say. It cannot bring itself to say these words: We as a group of members unequivocally relay to the Governor our view as members that all political parties should put One Nation last. All sorts of stunning rationalisations have been expressed in the course of the debate, especially since the member for Bunbury moved an amendment which effectively not only guts the amendment that I moved, but also says, "We agree with what the Governor said in the speech which we provided for the Governor last week."

It is a case of abandoning the Governor. The Governor used those words; they are the vice-regal words of last week when he spoke of certain things not being done or not being able to be done with the politics of division and hate. The amendment which I moved seeks to go one step further and say, "You are right"; to say what Mr Kennett found it possible to say in Victoria with an absolutely stunning result which helped return a vote of only 6 per cent for One Nation at a by-election last weekend. Members are effectively saying, "No, we do not want to send a message in unequivocal terms that One Nation is bad." I know, as every other member of this Chamber knows, that it is not for us as a Parliament to decide preferences of political parties. It is within our realm to draw a line in the sand. We do that every day of the week; it is nothing unusual. Some members have tried to pretend in the course of this brief debate that it is the wrong thing entirely to amend the Address-in-Reply; that it is not the tradition of the place. That is nonsense. This is a Parliament. I am very happy to say that last year two amendments were carried to the Address-in-Reply that was conveyed to the Governor. Those two amendments were sponsored by the Independents in this place. There was a purpose in conveying to the Governor that it is possible to do things in this place other than by the traditional and orthodox methods that people have been using for 100 years.

It has been said often in this place that the defence that the Government takes is the historic one of St Augustine. St Augustine was not always a saint; before that he had an eye for the ladies and he used to pray that he could do the right thing. He would say, "Lord, make me pure, but not just yet." That is what the coalition keeps wanting to do with One Nation. It effectively prays in this way. It says, "Lord make us anti-racist, but not just yet. Lord, make us abhor racism and intolerance, but not just yet."

Mr Baker: We are not saying that.

Mr PENDAL: It is a great pity that a Government which is so oriented towards export markets and export markets into South East Asia, runs the risk of sending an ambiguous message to the very people whom it seeks to keep onside. There is no two-card trick. There are no mirrors attached to the original amendment. It simply sought to reinforce what the Governor said in the first instance and to convey to him the view of a parliamentary assembly that putting One Nation last would be a start; it would be a step along the road to saying that all of the parliamentarians in this place believe that racism is wrong. Regrettably, by the vote that is about to be taken, the wrong message will be conveyed and coalition members will be supporting racism in the policies that they are prepared to vote on tonight.

Amendment on the amendment put and a division taken with the following result -

Ayes (26)

Mr Ainsworth	Mr Cowan	Mr Masters	Mr Shave
Mr Baker	Dr Hames	Mr McNee	Mr Tubby
Mr Barnett	Mrs Hodson-Thomas	Mr Minson	Dr Turnbull
Mr Barron-Sullivan	Mrs Holmes	Mr Omodei	Mrs van de Klashorst
Mr Bloffwitch	Mr Johnson	Mrs Parker	Mr Wiese
Mr Bradshaw	Mr MacLean	Mr Prince	Mr Osborne ( <i>Teller</i> )
Mr Court	Mr Marshall		

Noes (19)

Ms Anwyl	Mr Graham	Mr McGinty	Mrs Roberts
Mr Brown	Mr Grill	Mr McGowan	Mr Thomas
Mr Carpenter	Mr Kobelke	Mr Pendal	Ms Warnock
Dr Constable	Ms MacTiernan	Mr Riebeling	Mr Cunningham ( <i>Teller</i> )
Dr Edwards	Mr Marlborough	Mr Ripper	

## Pairs

Mr Kierath  
Mr NichollsMs McHale  
Dr Gallop

Amendment on the amendment thus passed.

Amendment, as amended, put and passed.

*Sitting suspended from 6.02 to 7.30 pm*

*Debate (on motion, as amended) Resumed*

**MS McHALE** (Thornlie) [7.30 pm]: I intend to devote my remarks on the Address-in-Reply to my shadow portfolio of the Arts and to canvass the critical issues that face the arts community in Western Australia, and there are many of them. I will also look at what I see as the black hole that the Government has created in relation to leadership and the lack of vision for the arts.

The Arts is usually seen as a glamorous, good-times portfolio. Rarely, with some exceptions, is it seen in its appropriate capacity as a crucial aspect of government responsibility, and more rarely still is it seen as a strong and critical measure of the health of our community. Not affording the arts a meaningful and central role in society is shortsighted at best and damaging at worse, yet under the current Minister for the Arts, the arts have been slowly bleeding and unsupported. Members might say that there is a new King Street art centre and refer to *Phantom of the Opera* - I know that many members have been to see it, as I have - but where, for instance, is the defence of the arts against the One Nation party? Where is the rigorous analysis of the impact of a goods and services tax? Where, more parochially, is the new legislation which we need to set up the new Ministry of Culture and the Arts? My basic tenet tonight is that under the Government the arts industry is threatened and it is becoming dangerously undermined.

I want first to place the arts very fairly and squarely in their economic framework. As members of Parliament, we ask what is important to our community. It is obviously a safe and healthy environment. That is why we spent a considerable amount of our time last week looking at issues to do with law and order and security. That is why the phrase "law and order issues" rolls off our tongues. Also, we argue that a viable economic climate and other measures are fundamental to our society. But what is not always articulated is the need for a sense of identity. Without a strong image of who we are as a community, we can neither be cohesive nor function effectively. My argument tonight is that the arts play a pivotal role in defining our culture, our reputation and our identity. A measure of any civilisation is the excellence of its artistic achievements. The arts put Australia and, more specifically, Western Australia, on the tourist and trade maps and help to create a positive image of a strong nation. That is why we have canvassed the ills of the One Nation party. We are looking for a strong, united nation.

The arts contribute substantially to our economy through employment, tourism and the export dollar. Many members may not realise that our arts and culture-related sector is now valued at about \$19b per annum. It is a huge industry. Approximately 7 per cent of the Australian work force - in round figures, that is about 550 000 people - earn some income from the arts industry. In no way is it an insignificant industry and in no way does it make an insignificant contribution to our economy. The arts attract valuable foreign investment and exports. International visitors to Australia alone spend \$65m per year on Aboriginal art and craft. Foreign tourists are attracted by our culture and they spend more than \$200m on culture and entertainment. It is clear that the industry needs supporting and nurturing, and it certainly needs a cultural policy in order for it to have some sense of direction. That is lacking under this minister.

The arts help to build a sense of community. The arts are not a pastime that is enjoyed only by the well-to-do. The arts are about community relations, about our heritage and about our understanding of the world in which we live. Above all else, the arts actually mean jobs. As I have said, more than 500 000 people are employed by the arts in some form or another - they may not all be full-time workers but they earn some income from the arts. According to 1993 figures, more than 53 500 people report some payment for their involvement in cultural activities in this State. In fact, there are more than 100 000 people with a cultural involvement on an unpaid basis. Volunteers play a significant role in our arts and they can lead on to some form of paid employment. In terms of tax and a significant slice of the working population, the arts industry is a very significant contributor to our economy.

My argument tonight is that we need to start looking at the arts as they really are. They are fundamental to our daily lives and to the prosperity of our nation. Why therefore is the Government content to tolerate and, worse still, to preside over the slow demise of the arts in Western Australia? I will illustrate what I have said by examining several issues. The first is the lack of a cultural policy. The second is the lack of any analysis of the GST and the arts. The third is the rise of One Nation and its impact on the arts. The fourth is the inaction on the part of the current Minister for the Arts to introduce legislation to establish the Ministry of Culture and the Arts.

The first threat that I identified is the lack of a cultural policy. This Government went to the last election without a policy on culture and the arts.

Mr Pental interjected.

Ms McHALE: I am sure the member for South Perth would argue it was an eloquent cultural policy. However, continuing on from 1996 there has been no cultural policy. A Government which is committed to the arts and to stimulating arts development or providing a legitimate role for the arts would construct a cultural policy framework. I am not saying that, in order to have a strong arts sector, we need a cultural policy. I am saying that a strong cultural policy ensures that the investment that we put into cultural life is recognised and is given priority as an important element of the Government's delivery of service to our community; it states why the investment is important and sets out the Government's commitment to the arts.

What does the lack of a cultural policy say about this Government? What message does it give about our cultural value, heritage and direction? It says very little about the Government's commitment. It is also a sad indictment that the Governor's speech made no reference to our culture and its future or to our heritage. That is an omission which I despair about as it reflects the direction that this Government is taking in the preservation of the arts.

The second threat that I see is the possibility that there will be a GST. Rightly, we are focusing on the dangers of having a GST on food, basic services and so on. However, it is important to extend our thinking to the other areas of our everyday lives on which the GST could impact. The arts is one that requires some discussion. I will cite the managing director of the Australia Council, Michael Lynch, on the imposition of a GST on Australia's arts. He says that it threatens to knock the \$19b cultural sector off its axis. The GST is a strong threat to the viability of our arts industry and to the future of a flourishing arts industry. The Australia Council commissioned KPMG to assess the impact of a GST on the arts. That report, which was released earlier this year, found that the GST would increase ticket and admission prices in an already sensitive arts market and in the absence of zero rating the Australia Council would have to lobby for compensation.

International experience has shown that non-profit organisations are among the hardest hit by a GST. There are many non-profit organisations in the arts industry.

Mr Johnson: If they are non-profit and they are not turning over more than \$50 000 or \$100 000 a year they will be exempt from GST.

Ms McHALE: This issue has been raised with me by artists, who are notoriously low income earners. They may not be required to pay a GST, but they will be charged for materials and other aspects of their work. If one considers the stages that an artist's work goes through, starting from the medium in which he or she operates, for example, oils, through to when the end product goes to the gallery, one sees that a GST will be charged at every stage, and the gallery also charges a commission because it must survive. The market in art is difficult and if the gallery adds a 10 per cent GST to what is already at least a 30 per cent commission, that will constrict the market even more. The GST is a real threat to the livelihood of many struggling artists.

Mr Johnson: You will find that the 10 per cent GST from the art gallery or dealer would be based on the commission and not on the price of the painting.

Ms McHALE: It will be taken on the whole package.

Mr Johnson: No. It would not be the gallery's property.

Ms McHALE: This is a new revelation into the GST. The member for Hillarys is creating a third part. This is a tax on goods and paintings are goods, therefore, they will be taxed.

Mr Johnson: If an artist earns less than \$50 000 he does not have to register and he does not have to charge GST. His painting will be sold by the gallery which will be acting as a broker. The gallery would charge 10 per cent on the brokerage fee only. It is like a second-hand car.

Ms McHALE: The member for Hillarys will find that is wrong. I will investigate that, but the member is wrong.

Mr Thomas: He should become a taxation consultant.

Ms McHALE: The member is obviously advising Mr Howard on how to sell the GST because he is clearly incorrect.

The GST will be applied to books. In effect, we will have a tax on learning and knowledge. Currently books are not subject to wholesale sales tax, but under John Howard's GST they will be subject to a tax. Overnight, school texts, novels, dictionaries, reference books, books for libraries, and magazines will go up in price. That is an extra burden on public libraries, on the State Government and on local governments which provide funding for public libraries.



Mr Johnson: You will find the libraries will be exempt because they are not selling the books, they are lending them free.

Ms McHALE: They must buy the books.

Mr Johnson: Yes, and they would get that back. There are inputs and outputs.

Ms McHALE: I hope the Government will not introduce this, but there is no fee for borrowing a book - heaven forbid, if the Government introduced a fee and a GST was payable. I am saying that the purchase of the assets will be subject to a GST.

Mr Johnson: They can claim the GST back against their purchases. I promise you.

Ms McHALE: This is the worry: The Liberal Government is promising a range of things with the GST that are simply not true.

Let us look briefly at entertainment. The cost of the whole range of forms of entertainment will go up. The Government may argue that it will increase by only 50¢ or \$1. However, when we talk about trying to open up access to the arts to all members of our society, including low income earners, it is the low income earners who do not have excess disposable income. Their budgets are finely tuned, and that is putting it politely. Many low income earners who earn less than \$20 000 do not have disposable incomes to make the choice between whether they will go to dinner or the theatre. That is not part of the lives of many people in our community. Age pensioners, retirees on fixed incomes and young people on low wages would all be culturally disadvantaged by higher entertainment costs.

Mr Johnson: They get compensation from family allowance packages.

Ms McHALE: I was expecting the member for Hillarys to interject. He is looking at the GST from his ideological perspective.

Several members interjected.

Ms McHALE: That is right. He is the member from London who supported the poll tax.

Mr Johnson: I did not.

Ms McHALE: Yes, he did.

Works of art are currently exempt from wholesale sales tax, but they will attract the GST. As I said, artists are among the lowest paid workers in Australia. If they have to pay the tax and then claim it back, the complex administrative process involved will cost them time and money. It introduces a level of complexity that artists have not had to deal with in the past.

We have heard many speeches about One Nation in this place in recent days. Since the Queensland election, members of Parliament have been looking differently at One Nation. In the past, Parliament has been characterised by silence about Pauline Hanson - we did not mention her name or her party. Perhaps we thought they would go away. We must now turn our attention to the One Nation phenomenon because of its popularity. Perhaps our response is the result of a new threat to the traditional sharing of power or vying for the power that has been traditionally vested in the two major parties, although recognising the role of the minority parties. It should not be the grab for power per se that worries us as members of Parliament but the effect of One Nation's seizing that power and what it will do with it. That is of grave concern to me.

In my role as shadow Minister for the Arts, I must consider the effect of One Nation's policies on the arts industry. It is an appalling policy and it would constitute a serious threat to our currently viable arts industry. One Nation has said that it would abolish all arts funding and redirect it. The Queensland leader of One Nation threatened to stop a \$320m arts building program. What would that do to the building industry, the job market and the arts industry? As I said, One Nation would also abolish all funding to the Australia Council. To remove funding from the arts is to rob a nation of its cultural fabric and development. That is not the sort of society I want and I hope it is not the sort of society civil members of Parliament want.

Mr Johnson: We agree.

Ms McHALE: I thank the member for that.

I now turn to the Ministry of Culture and the Arts. This is the third financial year in which the ministry has existed, yet we are still awaiting the enabling legislation. What does that say about ministerial effectiveness and commitment to the concept? We have been waiting since early 1997 for that legislation. Its introduction has been promised on numerous occasions and we still have not seen it. Because Parliament has not seen it, despite the minister's

commitment, it is not possible to do an in-depth analysis of the Bill. However, a number of statements made by government representatives in the Estimate Committees allow me to draw a number of conclusions, or at least strong assumptions. Together they indicate yet another real threat to the arts, and more specifically to the artistic integrity and independence of arts agencies in Western Australia.

The minister has declared himself to be the "body corporate" of the arts organisations. Therefore, the statutory independence of any board must be under threat. Having the minister as the body corporate leaves very little scope for maintaining the independent powers of the boards. In practice, this means possible ministerial interference in fundamental issues such as the nature of collections and exhibitions.

I also fear for the institutions' capacity to generate funds through the foundations that currently exist outside Treasury control. Individuals and corporations that currently bequeath money to foundations will be less likely to donate to foundations they see as a front for government. Currently, these foundations play a pivotal role in the development of the artistic acquisitions in the museums and galleries. Their independence from government is essential and should not be fettered.

The Government has placed its trust in these boards. It chooses board members with economic and business acumen and sense for the benefit of the State. My reading of what has been said about the future of these agencies under the new legislation is that it is highly questionable that the boards will continue as independent custodians of cultural assets. The minister will be able to override the boards, leaving the future of the arts community at the whim of an individual minister's views on what constitutes creativity and taste. I am not necessarily saying that of the current minister. However, the legislation that appears to be unfolding would allow any future minister to have almost complete autonomy over what is deemed to be taste in the arts and what is acceptable as creativity in our culture.

The other concern that has emerged from the Estimates Committees is the concept of the minister as the body corporate and lumping all the individual budgets under one line item. That will give Treasury greater control over the budget, which leads to greater control over the cultural outcomes. It does not allow any sense of safety or security for the individual agencies and their current budgets. My fear is that it will pit agency against agency rather than encourage them to find projects together, which was one of the minister's stated goals in creating this department.

A structure has been set up called the Ministry of Culture and the Arts and we are still awaiting the enabling legislation. This inaction on the minister's part should be of great concern to the Premier. We and the arts community need a minister who is prepared to stand up for the arts, to come down from his ivory tower and do something about the real threats to our culture; that is, threats from the GST, from right-wing policies and as a result of the demography and geography of this State, which because of its size and isolation requires special cultural policies to ensure that the arts are available to the majority of our community. Instead, we have no cultural policy, a minister unwilling to talk to the arts communities and companies that genuinely need to meet him, and a Ministry of Culture and the Arts without any legal status yet threatening to implode the integrity and independence of the agencies and boards. We have an uncertainty about the cultural venues of our city which is leading to decreasing morale and instability.

I return to my opening point: A vibrant, healthy community has a strong sense of identity. Our cultural fabric plays a pivotal role in shaping that identity and our economy. The attacks on our artistic and cultural characteristics which are being experienced today should cease. The minister's lack of leadership in the arts, if left to continue, will hit the economy and will hurt small businesses, and the threats to the arts will have long-term consequences. This speech is not about preserving the arts for the few. The principles I have enunciated go to the heart of what makes a healthy community and highlights the very real threat the GST, One Nation and the lack of leadership can have to our society.

*Amendment to Motion, as Amended*

Ms McHALE: I move -

That the following words be added to the motion, as amended -

but regrets to inform Your Excellency that the Premier has sold out the people and State of Western Australia, his own credibility and the federation in slavishly signing up to a tax package which will increase this State's dependence on the centralised revenue raising power of the Commonwealth Government.

**DR GALLOP** (Victoria Park - Leader of the Opposition) [8.01 pm]: Many issues on the subject of the Commonwealth Government's goods and services tax reform package will be debated in this Chamber. We will look at the relevance of that package to the future of our economy and, indeed, to the very nature of our society, in particular, the impact of that package on the distribution of wealth, income and opportunities in our community. We will also look at the impact of that package on different groups and industries in our society. The impact that will

place on pensioners and other self-funded retirees has already been emphasised. We have looked at the impact it might have on the housing industry, the tourism industry and other industries in our society.

We must address another issue of the tax package that has been put together by the Prime Minister and endorsed by the Government of Western Australia; that is, the impact the package will have on the future of the federal system of government and the role of the States in that federal system. This issue goes right to the heart of the credibility of the Premier, and of the State Government which has been campaigning, if I might use that term, for well over three or four years about the future of our federation. The Premier has argued that we need fundamental reform in our federal-state relations. On many occasions he said that the precondition for his supporting any package from the Commonwealth would be fundamental reform in federal-state relations.

The Opposition has brought different arguments to this debate. The first thing we brought to the debate was opposition to the GST; the second thing was the view that we need to look at federal-state relations. Let us look at what the Premier defined as the preconditions for his supporting any package from the Commonwealth Government. He said on many occasions that it had to be fundamental reform. By "fundamental reform" he meant two things: Firstly, it needed to be far-reaching reform, it needed to reverse the trend towards centralisation of power and it needed to give the States more financial flexibility and therefore policy flexibility. Secondly, it needed to be fundamental in that it was embedded in the Constitution, so that the rights of the States in a financial sense would be constitutionally guaranteed, rather than subject to the whim of any particular commonwealth Parliament. I quote from a media statement that the Premier released in August 1997 -

Mr Court said the only real solution to this issue was to introduce constitutional changes to set in concrete the States' ability to raise the revenues they need to provide the services they have responsibility for delivering.

"I challenge the Federal Government to hold the necessary referendum to amend the Australian Constitution to restore certainty and balance in financing arrangements within the Australian Federation," he said.

The Premier and the Government of Western Australia, in endorsing John Howard's GST tax package, have achieved none of those objectives. I will establish in tonight's debate that the Premier has achieved the very opposite of what he has argued for three or four years, not only here in Western Australia, but also through national forums of intergovernmental politics.

The year 1998 may very well go down as a key year in the process by which the centralisation of power took over the way we govern ourselves in Australia. Just as 1942 is regarded as a key date, there is some irony in all this. In 1942 when the State Government said, "We will hand over our income tax powers to the Commonwealth Government", there was a real threat to the nation. The nation was at war and it could be argued that there was some justification at that time for ensuring our nation was equipped for fighting that war. What is the justification in 1998? The justification in 1998 is that the Premier of Western Australia wants to try to save the Liberal Prime Minister of this nation. We can see the clear contrast between wanting to save the nation on one side and wanting to save a Liberal colleague on the other. If members opposite do not agree with my analysis -

Mr Johnson: We certainly do not.

Dr GALLOP: Let me quote from someone who has supported the Premier of Western Australia over the past three years in his push for constitutional and financial reform. I refer to John Stone, ex-National Party senator and former head of Treasury - hardly a friend of the Labor Party.

Mr Baker: He is not a well man.

Dr GALLOP: Is the member implying that we should not take his comments seriously?

Mr Baker: I am not taking his comments seriously.

Dr GALLOP: Members opposite pick and choose. He said -

I can't emphasise too strongly - this GST stuff is the greatest blow to federalism since 1942, since the Commonwealth took over the income taxing powers of the States. This is from the Prime Minister, who, when he laid down five so-called principles of tax reform last August . . . he made the fifth of them a need to reform Commonwealth/state financial relations this doesn't reform them - this just abolishes them.

That is an assessment from someone who has supported the Premier in what he has said for three or four years in this State. Let us make absolutely clear what the Premier has signed up on: Firstly, he said that Western Australia will give up certain taxes. Those taxes represent about 16 per cent of our own source revenues in Western Australia. We do not know the precise figure, but the best estimate we can provide is \$650m. In other words, after this proposal goes through - if it goes through - only 48 per cent of the total recurrent revenue will be raised within Western

Australia. Currently, 57 per cent is raised by the State with its own recurrent revenue. Secondly, the GST package allows the Commonwealth Government to impose a new goods and services tax.

Under our Constitution, as interpreted by the High Court of Australia, only the Commonwealth Government can impose a goods and services tax. I make this absolutely clear: The Commonwealth Parliament can alter this so-called agreement with the States with one Act of Parliament. It is as easy as that. I refer to the Government's document "Revenue Sharing or Tax Base Sharing?: Directions for Financial Reform of Australia's Federation" produced by the Treasury Department of Western Australia in June 1998, which sets out the Government's position in relation to tax sharing. It states -

Just as Vertical Fiscal Imbalance has generated problems, the past experience of tax sharing in Australia has also been less than satisfactory.

This document points out that when the Constitution was first laid down, it mandated that for 10 years after federation, and thereafter until the Parliament provided otherwise, at least three-quarters of the Commonwealth's customs and excise revenues, then the major source of revenue for Government, should be passed back to the States. The Commonwealth terminated that agreement after that 10 years. That indicates how easy it is.

The Constitution also specified that the Commonwealth was to return to the States any surplus revenues collected in the first 10 years of federation. In 1908 the Commonwealth legislated to pay those surpluses into a trust account, thereby avoiding its obligation to pay surpluses to the States. For eight years between 1976-77 and 1984-85 there was a revenue sharing arrangement between the States and the Commonwealth. In the first five years the States received a fixed share of the commonwealth's personal income taxes. That was producing a very consistent flow of revenue to the States, so in 1983 that was changed to a fixed share of commonwealth total taxation. Then in 1984-85 it was changed and we now have the financial agreements system.

I use that historical argument -

Mr Baker: Who changed it?

Dr GALLOP: It was the Federal Labor Government. Here I am not talking about which Government it was, but the ease with which the Commonwealth can change the system. The Premier came in here and told us that he had signed something that was good for the States. However, it can go with the simple stroke of a pen and the passage of legislation through the Commonwealth Parliament. My prediction is this: Over time the Commonwealth will find ways and means of getting its hands on that money, or it will use cuts to other grants which it still makes in the special purpose payments area as the basis of reducing its obligations to the States, thereby putting pressure on the States to increase the goods and services tax, which it is saying will not be increased because of the mechanism that has been put in place.

The fact is that the Premier has totally contradicted what he said his objectives were in terms of trying to achieve equitable federal-state financial relations. I now refer to the Premier's submission on national tax reform, dated May 1998, which states -

However, such "revenue sharing" has been tried before (1976 and 1982), and both times the Commonwealth unilaterally abandoned the arrangements when it was unwilling to allow States to receive the full benefit of its growing taxes. So history shows that revenue sharing provides no certainty to the States, as it is subject to the powers of the Commonwealth Parliament rather than providing autonomy and accountability to the States.

In addition, revenue sharing in return for some of their current taxes would reduce the flexibility of individual States to respond to their particular needs and circumstances.

States need access to taxes under their control if they are to agree to abolish the worst State taxes and if the problems of vertical fiscal imbalance are to be overcome.

That is exactly what we have not achieved through this package. Another problem with the package the Premier has signed relates to the terms and conditions under which the GST money will come back to Western Australia. It is reported by the Prime Minister that his conservative colleagues have agreed, in principle, that the money will be distributed on the basis of horizontal fiscal equalisation; in other words, the ability of the States to raise taxes and achieve revenue will be taken into account when considering how much of the total share the States should receive. The Commonwealth Grants Commission, which determines the equalisation formula, will be playing the role of determining how much of the GST we get, compared with each of the other States. This is the very principle the Premier of Western Australia has been attacking in the federal forums over the past couple of years. The very principle that he has been attacking will be the basis upon which he enters into an agreement with the Commonwealth Government to receive a share of the GST.

Queensland and Western Australia have a similar interest in respect of this issue. Over many years they have not been high taxing States. They will be penalised. The Government of Queensland has estimated it will be between \$350m and \$500m worse off under the Howard package; in other words, more of the money that comes to the States will be subject to this formula than is the case under the current system. The Premier is endorsing a principle he has been attacking in both this Parliament and the forums of Australian federalism over the past couple of years. In each of the annual updates undertaken by the Commonwealth Grants Commission since 1993, Western Australia has fared badly. It has estimated, through its Treasury, that the accumulated losses to Western Australia over five years are approximately \$778m. The Premier of Western Australia has endorsed the principle, which he has said has cost this State money, as the basis on which the GST will be distributed to the States. I believe this is a clear example of the hypocrisy of this Government. When confronted with the reality of the tax package of the Prime Minister, the Premier caved in.

Let us look at another example. Recently the Government of Western Australia has been banging the drum about the Medicare Agreement. The Opposition asked how much money the Government needed from the Commonwealth to fix the system in Western Australia. It said that \$100m every year for the next five years was required. Do members know what those opposite got out of the Commonwealth Government? They received 20 per cent of that figure, and the Premier signed that agreement in the interests of unity before the federal election. Members opposite signed the health deal. The States that had agreed on an earlier occasion, such as Queensland and the Australian Capital Territory, still received the extra money, but they also received money because they signed up earlier to try to deal with the waiting list problem in the public hospitals. Through his political posturing the Premier has achieved absolutely nothing for our Medicare system.

The Premier's political posturing on our federal system of Government has achieved zero because the Commonwealth Government now has increased power to raise revenue through the GST and at the stroke of a pen, signing off commonwealth legislation, could take all that revenue within only the hours required to get a Bill through the Commonwealth Parliament. To add insult to injury, the Government has agreed to a set of principles to distribute that money that the Premier has been railing against in this Parliament and all of the forums of the federation over the past couple of years. On this issue the Premier has been revealed as a person whose political posturing means absolutely nothing and whose credibility is absolutely threadbare on these major issues of government in Western Australia. What is more, to add further insult to the injury to which I have already referred, if the Howard Government is returned, we will get a GST which is flat, regressive and unfair on those least able to pay. That is the reality of what the Premier has signed. He has sold out the people of Western Australia in exchange for a flat, regressive and unfair tax, and compensation measures that cannot be guaranteed in the future.

We will take up that matter in the next few days of parliamentary debate, and in question time, because we want to get out the facts about what that flat tax will mean for the people of Western Australia.

We are taking the opportunity of this Address-in-Reply debate to point out that the Premier has totally sold out the State and has undermined the federal system, to the point where I predict that if this policy goes through, in 10 or 15 years the States will be mere administrative arms of the Commonwealth Government. The gap between what the Premier says and what the Premier does grows by the day. He has no credibility, his Government has no credibility, and his words mean nothing when he postures on the national stage.

**MR RIPPER** (Belmont - Deputy Leader of the Opposition) [8.21 pm]: I am pleased to second the amendment moved by my colleague the member for Thornlie. I have been interested to see the Premier's demeanour in recent days. Since the announcement of the federal coalition Government's tax package, the Premier seems to have been strangely subdued. I thought that as an advocate of tax reform and of changes to commonwealth-state financial relations, the Premier would have been genuinely supportive of the package and would have been selling it strongly, but instead the Premier has been suffering from a degree of embarrassment. I am not surprised, because the claims that he has been making about the tax package will not stand up to scrutiny. When the tax package was released, a media statement from the Premier dated 13 August 1998 stated -

Mr Court said that of critical significance was the proposal to give the States access to all revenues generated by a goods and services tax, a move which would result in a long-term boost to the State Government's finances.

No change could be made to the rate or the base level of the tax without unanimous agreement by the States.

Those statements are misleading and misrepresent the true position of the States. The Premier has claimed in this House that it is a great thing that the States will be given access to a growth tax. That claim is also hollow. The proposal to allocate the revenue from the goods and services tax to the States is in reality a giant tied grant, or a giant specific purpose payment. They are the sorts of grants and payments against which state politicians have railed for decades.

Mr Pental: Where is it envisaged that the GST component that will come to the States must be spent in the way that the Commonwealth nominates? That is what is envisaged with a tied grant.

Mr RIPPER: The payment of the GST to the States will be conditional upon the States abolishing stamp duties on share transfers, business conveyances, loan securities, and leasing and hiring.

Mr Pental: Once the States have done that, there will be no further commonwealth control. However, it will also be a two-edged sword. If in future the Commonwealth were to break its word, under the Constitution nothing would stop the States from reintroducing those taxes if they had the guts to do so. In other words, we would be on a winner rather than a loser.

Mr RIPPER: I am surprised at the member for South Perth, because he has previously been a trenchant defender of States' rights. He is now arguing that the conditions of this giant specific purpose payment will be one-off. The Commonwealth Government will have the power to impose new conditions from year to year. For example, the Commonwealth Government might become concerned about the state of health of Aboriginal people in the new state of the Northern Territory, and in Western Australia and Queensland, and demand that those States spend a certain proportion of their GST revenue on addressing that problem. I do not object to programs designed to improve the health of Aboriginal people, but those States might be put in a position where they were required to spend a proportion of their GST revenue to meet the requirements of commonwealth policies.

I have mentioned some of the taxes that the States will need to abolish in order to receive the GST revenue. In addition, the States will need to give up financial institutions duty and debits tax, and to reduce gambling taxes in order to compensate for the impact of the GST on gambling. If the States were to lose those taxes, they would lose policy flexibility. One of the advantages of a federation is that the States can levy different levels of taxes and charges according to their different needs. However, the States will not have the flexibility either to reduce the rate or to change the base of the GST. They will not have the capacity that they have currently to offer exemptions and concessions to meet various needs. In addition, they will not have the capacity to increase the tax rate should they have an urgent priority on which they are required to spend additional funds. The tax rate and the tax base will be set by people who are concentrated in Sydney and Melbourne and will reflect the dominant needs and priorities of those areas. The needs of Western Australia will not be capable of affecting either the rate or the base of the GST, and Western Australia will lose, to the extent that it will need to give up those state taxes in return for commonwealth goods and services revenue, all of that policy flexibility.

Mr Johnson: That is not quite true, because the GST will be a gross rate over the years, and the States will actually receive more money over time.

Mr RIPPER: That may be the case, and that is what the Commonwealth is arguing at the moment. However, the Commonwealth's economic assumptions are fairly optimistic, and many commentators argue that the Commonwealth's assumptions do not take into account the impact of the Asian economic crisis. In any case, I thought a conservative politician would be concerned about the possibility of the population being over-taxed, and that there would be a desire on the conservative side of politics, as there is from time to time on the Labor side of politics, to reduce the tax impact on the population. The State Government will not have the power to reduce the impact of the goods and services tax on the Western Australian population, if it thinks that will be in their best interests. The State Government currently has the flexibility to reduce, change or apply concessions to the taxes that it collects. However, in exchange for the GST revenue that it will receive from the Commonwealth, it will lose that flexibility, and will need to give up some of its taxation powers. That is not what the Premier has been supporting in all of his comments on commonwealth-state financial relations. For years the Premier has tried to make a name for himself as the defender of Western Australian rights. For years the Premier has campaigned against the excessive power of Canberra. For years the Premier has sought to win the votes of Western Australians by adopting those attitudes.

Mr Minson: The Premier has also been saying for a long time that there is a real need to overhaul the arrangements between the Commonwealth and the State and that we need, as a State, to get a share of a growth revenue so that we are not at the mercy of the Commonwealth at each Premiers' Conference. The member for Belmont is misleading us a little bit.

Mr Thomas interjected.

Mr RIPPER: My colleague, the member for Cockburn, is quite right. Apparently in private at the Premiers' Conference, the Premier was one of the State leaders who vehemently opposed giving the GST revenue to the States. The Treasurer of New South Wales said on radio this morning that Premiers Kennett and Court in particular were hypocritical in their acceptance of the coalition tax package because they had rejected the centrepiece of that package, the allocation of GST revenue to the States, in not one but two Premiers' Conferences.

I return to what the Premier has been saying about commonwealth-state financial relations. Saying he wanted a growth tax allocated to the States is not a complete and accurate summary of the position he has adopted in the past. I quote from a media statement of 8 August 1997 -

Speaking in Adelaide at the BankSA 'Trends in Business' luncheon, Mr Court said this week's High Court decision on business franchise fees levied by the States underlined the need for a fundamental revision of the financial basis of the Federation. . . .

The Premier added that there would only be fundamental changes to the inefficient tax system in Australia when the Federal Government broke the psychological barrier of accepting that some financial powers should be handed back to the States to correct the imbalance that had developed since Federation.

The statement continues -

"Reversing the trend to centralise more financial power in Canberra and creating an efficient and fair taxation system in Australia is now fundamental if we are to achieve sustainable employment growth and strong levels of economic growth."

What is the key to those statements? The Premier says he is concerned about the loss of financial power to Canberra; he is arguing for giving the States more financial power in the federation. However, that is not what has happened. The Premier's acceptance of the coalition tax package means he is acquiescing to proposals for the transfer of financial power to the Commonwealth, to the removal of our flexibility to levy different tax rates, to offer concessions or exemptions and to raise more or less money as we see fit. He is submitting to those powers being transferred from this State of Western Australia to those people in Canberra whom he has campaigned against for so long. That is why the Opposition says he has sold out. That is why we say he is hypocritical. The Premier is putting the political interests of his federal Liberal colleagues above what he has previously said to be the State's interest in the federation.

A media statement from 6 August states -

Mr Court said the only real solution to this issue was to introduce constitutional changes to set in concrete the States' ability to raise the revenues they need to provide the services they have responsibility for delivering.

A year ago the Premier wanted a referendum to give more financial power to the State. Now he wants to hand over taxing powers to the Commonwealth, give up state taxes and accept revenue from a commonwealth tax which is already to be subject to commonwealth conditions and may well be subject to further conditions in the future. No wonder the Premier has been a bit subdued and appeared a bit embarrassed. The coalition tax package is not what he supported publicly in the past; it is not what he has argued for privately, according to the testimony of Michael Egan.

There are two issues here. One is the question of the further centralisation of financial power in Canberra. If we lose policy flexibility by transferring financial power to Canberra, we will place ourselves in a weakened position in the future. We will lay ourselves open to conditions being imposed on higher and higher proportions of the revenue available to the State, conditions that will affect our ability to spend on the priorities we think merit expenditure in Western Australia.

The second issue relates to the second part of the Premier's support for the coalition tax package; that is, his assertion that it will require unanimous agreement by the States to change the rate or base level of the tax. That assertion is patently wrong. The same Bill that increases the goods and services tax will be the Bill that does away with the need for permission or consent from the States. It is not proposed to put this mechanism, which will protect the current rate of the proposed GST, into the federal Constitution. It is not proposed to have a referendum to alter that Constitution, to provide that the States have to agree before the GST can be increased. The mechanism governing increases in the GST will simply be a law of the Commonwealth Parliament. It will not need to bring in a Bill and change the law and then a year later bring in another Bill to increase the GST. It will bring in one amending Bill that will increase the GST at the same time it does away with the need for state consent. Even the official version of the need for state consent is deficient because it does not involve the consent of the Parliaments of the States. There is no capacity for the State Parliament to consider a Bill giving the Commonwealth consent to increase the GST. All that has to happen is that the Premier will go to a Premiers' Conference and at that conference agree with fellow state Premiers for an increase in the GST. That official version will not come to pass anyway. The Commonwealth will decide that, for one reason or another, it wants to change the GST base or increase the GST and it will simply put a Bill through the House.

Mr Johnson: I do not think it would do that. I think if it wanted to raise more money it would be more likely to increase the income taxes. It would be a foolish Federal Government that went against all the States and increased a GST.

Mr RIPPER: It may be that the member for Hillarys is right and that the first thing the Commonwealth Government would do is take away the compensation it was offering in return for the GST. The income tax cuts that we were to receive in compensation for the GST would disappear. I imagine that politically it might be a little easier to withdraw the compensation than it would be to increase the GST but from a legal and constitutional viewpoint there is no difference at all. This mechanism to guarantee that the GST will not be increased, which was trumpeted by the Prime Minister and supported by the Premier, is nothing more than a sham, a con.

Mr Johnson interjected.

Mr RIPPER: I do not have much time left and I will not take a further interjection from the member for Hillarys. I quote a former conservative politician and a former head of the federal Treasury. In the transcript of an interview given on the radio station 2BL on Friday, 14 August, John Stone said this about the impact on commonwealth-state relations of the coalition tax package -

Mr Barnett: His post-retirement career has not matched his preretirement career.

Mr RIPPER: He gets better as he mellows. He said -

I mean the Premiers, if they are at least in any way interested in retaining the relevance of their own States as entities in the federation, should tell the Commonwealth to go and get bloody well lost. I mean, this is bizarre this thing. I mean here we have in 1901 we had a situation where, you know, we ushered in the federation and in the year 2001 those two great centralists John Howard and Peter Costello will be ushering the federation out again - it will all be centred in Canberra.

That is the truth of the matter. The Premier is no longer credible as a defender of Western Australia and the federation. The High Court took away our financial powers with the franchise fees decision and now Richard Court is taking away our financial powers in return for the GST. The Premier has put the political interests of John Howard and Peter Costello above the interests of Western Australians and Western Australia as a State in the federation. He has failed to defend the interests of this State, either deliberately because he has put the political interests of his party above the public interests of the State or, alternatively, because he has simply been too weak to defend Western Australia when it has come to the crunch.

**MR BARNETT** (Cottesloe - Leader of the House) [8.40 pm]: This is a very interesting debate and one that we should have. To reflect on history briefly, when the Federation of Australia was formed and the Commonwealth established in 1901 the then colonies ceded to the Commonwealth a number of functions and powers, including a number of taxation powers. They were appropriate for the time, no doubt; however, as history has gone by - now nearly 100 years - the balance of responsibilities and the efficiency of the taxation system has changed. A significant change was the uniform taxation agreement in 1942 when in Australia under wartime conditions the States ceded to the Commonwealth powers of direct taxation over personal income and company taxation. I do not think that anyone at that time would have disagreed that was an appropriate thing to do for a country at peril.

As we have progressed there have been a series of High Court decisions, particularly one relating to taxes on tobacco, fuel and alcohol that resulted in a shift of revenue raising powers to the Commonwealth. One might argue in a narrow sense that if a GST is introduced more revenue raising will be effected by the Commonwealth. However, the argument is shallow if it is left at that. We should not lose sight of why Australia needs to have taxation reform. Even the former Prime Minister, Paul Keating - if he is honest with himself and the public - would concede the need for taxation reform. He argued it during the 1980s as the so-called option C.

Mr Ripper: Can the Leader of the House imagine a taxation reform which would preserve the State's position under federation?

Mr BARNETT: I will address that. I will not state all the arguments for changing. However, briefly, they need to be stated in the context of this debate. Australia has a taxation system which is too heavily dependent on direct taxation and not dependent sufficiently on indirect taxation. Our indirect taxes are highly discriminatory and very expensive to administer compared with the amount of revenue they raise. Everyone realistically must concede there are major deficiencies in the Australian tax system as it has evolved.

The prime justification for a shift from direct to indirect tax, to redress the balance - and members should not lose sight of the fact - is that the reductions in income tax under this package are very significant and targeted at middle Australia. They are large taxation concessions and cuts which provide an incentive to work, in the narrow sense, but more importantly they provide a reward to work. The concessions provide a realistic reward for people who work extra hours, extra jobs, and full-time compared with part-time; and that is appropriate. It provides also an incentive to save. It is an incentive to earn income and will help savings.

One of the great problems of Australia as a developing economy is that arguably we are overly dependent on foreign



investment. Why? It is because the generation of savings for investment in Australia is deficient. We do not save to the rate at which a developing nation would be expected to save. Part of the reason for that is that our tax structure is not conducive to saving. Therefore, an incentive to work is important; an incentive to save to stimulate investment; and the thing that the Labor Party should hold dear: Australian ownership. If ever there were declining trends of Australian ownership it is because of declining trends in Australian savings that bring that about. A GST provides a catch for tax evasion. Tax evasion is rampant in our economy. The cash economy is running wild. The GST chops that out. There will be some still but it will be minimised. Therefore, the cheats in the tax system will be caught under a GST structure.

Mr Osborne: Will it get car dealers?

Mr BARNETT: It will probably even get car dealers. There are also some subtle arguments that are forgotten. There is an argument of equity. It is common among Labor Party politicians over the years to talk about the need for research and development, technology, innovation and the need to build up our manufacturing industry and have a diversified economy. It is true, if one considers the structure of the Australian economy, that our manufacturing sector is relatively small compared with our services sector, whether it be finance, recreation or whatever. One does not have to be a genius to step back and ask why that is. It is because we have a wholesale sales tax, and a whole lot of indirect taxes which are direct imposts on manufacturing. We tax the hell out of the manufacturing sector, we do not tax the services sector, and then we ask, "Why do we have a small manufacturing base and a large services industry?" It is quite obvious: One is taxed and one is not. The GST taxes Time Zone on the same basis as it taxes a food manufacturer, a shoe shine company or whatever it might be. All producers, whether of goods or services, are treated equitably. There is a huge discrimination in the Australian taxation system because of that.

The other thing to receive attention is wholesale sales tax, fuel taxes, excise taxes and so on which become direct additions to the cost of production. That does not matter, to some extent, for goods traded in Australia. However, when those goods are traded internationally with all those taxes built into their final cost it puts them at a disadvantage. That would not matter between traded goods and domestically sold goods if all the other countries did the same, but they do not. If one looks at the 24 Organisation for Economic Cooperation and Development nations, Australia stands alone as the one developed nation which does not have a broadly based consumption tax. Yet, ironically, we are the one nation that is more highly dependent on international trade than probably any of the other 23 OECD nations. The United States might be the biggest world trader but in terms of the United States economy international trade is small. For our economy, international trade is large. Therefore, we tax our exporters when our competitors do not. It is incredibly naive for anyone seriously to think that we can have a world economy with the 23 other OECD nations having a tax system swimming one way and Australia as a relatively small nation swimming against the current and survive. It just is not realistic.

The arguments go on but fundamentally incentive to work, reward for work, incentive to save to stimulate Australian ownership and investment, and clamping down realistically on tax evasion is the only way to have a tax system to stop cheating; to provide equity between all sectors so that we do not penalise manufacturing and favour services; and to provide an export base for Australian industry which is equivalent to others. These are the essential arguments why we should change our tax system.

Point one of the argument is that we must have tax reform, and the jury is out on that question. I can understand politically why the members opposite will pick holes in the package; that is fair enough and is part of the game. However, no-one can realistically argue against the need for fundamental tax reform.

If we have tax reform, the second issue relates to the federal system. The relationship of taxing powers and expenditure responsibilities has changed over 100 years of federation. Ideally we might make constitutional change and if the Constitution is changed the States may have powers over indirect taxation; that is, a GST. That would be ideal. The Premier, I and every other state Premier and state member of Parliament would support that. Alternatively, a component of direct taxation may be returned to the States. For example, the States may have an income tax level set by the Commonwealth and then a component above that set by the States. That could even vary from State to State as long as no tax shifting arrangements take place. The reality is that constitutional change is not easy in this country. Referendums do not generally succeed. What the Prime Minister has come up with is the next best solution; it is recognition that we need to change our tax system and we need to give the States a form of revenue which is non-discriminatory from the commonwealth point of view. It is a good result. It is a reworking of federalism, not an abandonment.

Mr Kobelke: It is taking an axe to it.

Mr BARNETT: No, it is not. I will not get emotional because I have had three glasses of excellent red wine and I am feeling rather mellow.

It is important that the real issues get looked at. Our tax system is not ideal and nor is our federal system. We are constrained by our Constitution and High Court decisions. Short of shifting the taxation responsibility constitutionally, one must look at some other arrangement. If all of the goods and services tax revenue is allocated to the States, it will give the States a revenue base which will grow as the Australian economy grows.

Mr Kobelke: Hopefully.

Mr BARNETT: It is inevitable. If the member looks at the gross domestic product of an economy, he will see that 60 per cent is expenditure. The closest statistical relationship he will find in social science is between expenditure and GDP; it is almost a perfect linear relationship. As the economy grows consumption expenditure will grow and therefore the GST revenues will grow. If the States are to have that, and it is a good arrangement, it is a matter of allocation. There will be a Grants Commission type of process.

Mr Ripper: We might be done over in that process.

Mr BARNETT: That is a fair point. From Western Australia's point of view, if it were simply a per capita share of a GST locked in, because we are growing quicker, expenditure is growing quicker and our population is growing quicker, we would gain. However, that would be to forget the period up until the mid-1960s when Western Australia received more than its fair share of grants under the commonwealth taxing arrangements because we were the slow State. At the moment Tasmania is really struggling and South Australia is not much better off. I do not think that anyone would seriously disagree that some States probably deserve a slightly higher share. That will be an argument. If there is a Premiers' Conference in the future, the debate will be about the equality between States. I do not mind seeing on a per capita basis Tasmania and South Australia get a bit more. This State's economy is stronger. We have mining royalties and growth potential that some other States do not have. It should not be a dominant effect but some compensation, not overriding compensation is appropriate.

Mr Ripper: We give up money that we control in return for money that is set under that sort of arrangement.

Mr BARNETT: The reduction in state taxes is pretty minimal.

Mr Kobelke: It is \$700m.

Mr BARNETT: Essentially the GST is replacing the federal grants system. When direct taxation went over to the Commonwealth and the federal assistance grants were developed, to my mind it caused a nomenclature issue. They are not federal assistant grants but legitimately the States' share of a revenue from a tax base that was originally State but was handed over to the Commonwealth in wartime. What should happen is that those federal assistance grants should be replaced by a GST share; they should not be seen as commonwealth grants but as a tax share to the State of a GST administered constitutionally by the Commonwealth on behalf of the States. Equally, it would be good from the commonwealth point of view and should be reflected in state budgets that there is a GST revenue share and perhaps other revenue shares from the Commonwealth from perhaps direct taxation; and then there are specific grants - not revenue shares but grants - where the Commonwealth, whether for health, education or whatever else, specifically allocates money for a purpose. That commonwealth expenditure would be targeted to a commonwealth program. If we can get to that system of a general GST share to the States and other tax shares to the States, plus commonwealth grants for specific programs, federalism will have advanced a great way. It would be reinvented and modernised. It would not be perfect but it would be a big step forward.

Mr Kobelke: There is no history to suggest that it will go that way - just the opposite.

Mr BARNETT: The States through historic accident, and High Court intervention are confined to a very expensive, discriminatory, narrow tax base. This is modernising our tax system and getting a better balance. It is setting up a better procedure. I can understand the John Stone type of comments. There is an argument there, but it is a fairly pessimistic view.

Mr Kobelke: It is based more on reality.

Mr BARNETT: I do not believe so. There is an opportunity here for the States and the Commonwealth to show maturity and to reinvent commonwealth-state relations, to reform the tax system and reinvent the relationship. We should strive to achieve that. I am sure it will not be simple and that there will be lots of arguments and complications along the way. To simply knock it is wrong and naive. This is a great chance to reinvent federalism, appropriately 100 years after it was invented. We will certainly not support this amendment. We should have a more expansive and perhaps more thoughtful view of taxation reform and federal relations.

**MR McGOWAN** (Rockingham) [8.56 pm]: Like probably all members in this place, I am a supporter of taxation reform. If my memory serves me correctly, the Prime Minister came out with his statement on the great tax adventure over 400 days ago. We have had laid on the table less than a week ago his tax package, which is fairly broad in its

scope. He has been quite courageous in putting this forward to the Australian people before an imminent federal election. I will get into this a little later on, but part of his package is fiscally irresponsible in light of the economic circumstances that we are about to encounter in this country. A great proportion of the package is not deliverable in light of those economic circumstances. I think he has done it because it is the last throw of his dice. He is about to go into a federal election for his second term. He is in great danger of being the first Prime Minister since 1931 to go down after one term. James Scullin was elected Prime Minister just before the Great Depression in 1929. He had a very small majority; in fact, it may have been a majority of one. John Howard has a much larger majority but he too is in great danger. As his last throw of the dice he has put something forward which is very comprehensive.

Before I examine his package I will set a few matters straight. I heard a moment ago the Deputy Leader of the Liberal Party put forward the argument that tax reform is new. A few weeks ago I spoke in this place and I raised a number of comprehensive tax reforms that have occurred in the past 15 years. When members speak of tax reform they must realise that tax reform has been ongoing for the past 15 years. People often talked about option C and the tax summit of 1985. They say that because option C did not get up there was no tax reform. The Deputy Leader of the Liberal Party said that a moment ago. That is incorrect; a great deal of the agenda of the tax summit did get up after 1985.

During the 1980s Australia had six cuts in income tax. If rates of income tax had remained as they were in March 1983 when the Federal Labor Government was elected, today the Commonwealth Government would be collecting \$30b more in taxation revenue. When people say that there has been no tax reform, they should know that probably the greatest tax reform was dividend imputation. During the 1980s and perhaps the early 1990s dividend imputation was introduced. In addition to that company tax rates were cut. Before 1989 company tax rates were at 49 per cent. They are now at 36 per cent. In addition, people paid tax twice on company dividends. Before that time, company dividends were taxed once in the hands of the company and once in the hands of the shareholder. It was double taxation on all dividends paid by companies. The then Treasurer, Paul Keating, managed to arrange the federal budget in such a way that the country was able to afford single taxation of company dividends, which is known as dividend imputation. Companies were paying half the tax, and that encouraged investment in Australia and in Australian jobs. It was a great reform. The tax file numbering system was introduced, and fringe benefits and capital gains taxes were reformed in 1983. In 1984 Andrew Peacock put forward a policy to abolish those when in office but, appropriately, the Liberal Government elected in 1996 did not abolish them. Substantial tax reforms have been made in Australia over a long period.

John Howard's package of tax reforms is courageous and broad, but I object to it because he has betrayed the trust of many people in this country. He used to be known as Honest John, until he used the term "non-core promises" in 1996. Prior to his election in 1996 when he defeated the Keating Government, he said something that will haunt him forever. He said there was no way that a GST would ever be part of his Government's policy - never, ever. He said it was dead and had been killed off by the voters at the last election. Those words will come back to haunt him. People in Australia need a Government they can trust and believe in. That statement was very clear; Mr Howard was elected on the basis that he would keep that promise, and people have now lost trust and do not believe he has any sincerity. Mr Howard suffers from that. People do not believe what he says because of his record. When he says the rate of the GST will not rise, it is difficult to believe him.

The President of the National Party, Don McDonald, said there is no way of preventing the rate of a GST from rising. The only way to maintain the proposed rate of 10 per cent is by constitutional amendment, and the Prime Minister today ruled that out. Historically, it would have been available through a manner and form provision, whereby the rate of tax would be entrenched by law, but those techniques are not used any more and they are regarded these days as unenforceable and unworkable. I also object, probably because I am a member of the Labor Party, to the fact that those at the top will receive disproportionately high tax cuts. On the basis of the figures published in *The West Australian* the other day, I estimate that in net terms someone on my income will be \$4 472 a year better off, whereas someone on a pension in net terms will be more than \$370 a year worse off. Some may say such a system rewards incentive and work, but I do not think it is right or fair. I do not think the Australian people will buy it, and nor should they. The rich should not get more and the poor should not get less. The tax system should not work that way.

The tax package is also in trouble because the estimates upon which it relies have not adequately taken into account the economic situation in which this country will be next year. Next year Australia will be hit by the impact of the Asian economic crisis. Its impact has been moderate so far and growth has not declined too much. Unemployment has increased a little. However, those who export into Asia say their forward contracts are dropping off, and orders for their export goods are declining. John Howard's tax package relies on growth between 3 per cent and 4 per cent, whereas almost all leading economists say there is great fear that Australia's economy will slip into recession next year. Therefore, one must doubt the figures on which the tax package is based. Also, since 1990 there have been seven or eight consecutive years of growth, which is the longest period of growth since the Second World War. All good things must come to an end, and that will come to an end. The United States' economy is showing signs of

slowing down, and the rest of the world usually follows the US economy. Australia's biggest trading partner, Japan, has shown major signs of slowing down and it does not appear to be taking substantive steps to solve that problem. Australia's economy will slip next year, and that will dramatically affect the Western Australian economy which is heavily reliant on exports. When this slowing down occurs, the forecasts on which Peter Costello relies will be completely out of the window and they will not be realised. A 4 per cent growth rate is needed to fund the surplus and that surplus is necessary to fund the tax cuts. If the growth rate is not achieved, the whole thing will collapse like a house of cards. The Liberal Government is determined to introduce a GST so it will do so, but a whole range of tax cuts, particularly those for middle income earners, will not be delivered because the economy will not hold up. In that case the GST will be introduced but the tax cuts will not be. I have grave doubts about the economic basis of the plan put forward by Peter Costello and John Howard. It cannot be delivered, and the Australian people would be foolish to be sucked in by the prospect of this pot of gold because I do not believe it will be there.

Mr Shave: You are politically biased.

Mr McGOWAN: Is the member for Alfred Cove an economist?

Mr Shave: No, but I know a little about this.

Mr McGOWAN: I did not think he was. The member cannot even work a shoeshine machine, so he should not tell me about economics! I showed him how to work the shoeshine machine.

Mr Shave: He will not let me forget it either.

Mr McGOWAN: The other point about the Australian economy is that it relies extremely heavily on the housing sector. People speak about manufacturing and mining, but one of the major parts of the Australian economy is the housing sector. It is particularly important in the cities, where 90 per cent of the Australian population live. In my electorate of Rockingham, which is the federal electorate of Brand, it is a vibrant industry that is much influenced by cost factors. The housing industry, through the Housing Industry Association, is vehemently opposed to a goods and services tax because of its impact on that industry. It will result in a loss of jobs. I have grave doubts about a GST which will hit the most viable and employment-driving sector of the economy.

At the beginning of my remarks I said that I supported tax reform. I know nothing of the detail of what will be in the Labor package to be put forward in about a week. However, I think it should be modest; it should not rely upon the growth forecasts put in the Costello tax package, because I do not think they are deliverable; it should not provide one cent of tax cuts to people on my income level because that is not right; it should not cut pensions as is the case with the taxation package of the Howard Government; and it should be believable.

Mr Court: Will you campaign against it if it gives you a tax cut?

Mr McGOWAN: I will pay it back, if the Premier pays his back. What about the \$5 000 worth of tax cuts that the Premier will receive?

Mr Court: I will show you my tax returns.

Mr McGOWAN: The Premier should answer my question. Will he pay back that amount?

Mr Court: As I said, I will show the member my revenue and expenses.

Mr McGOWAN: I will bet the Premier does not do that.

Mr Court: It is the greatest loss-making effort you can go into!

Mr McGOWAN: As I said, the tax package should be modest. The tax cuts should be directed to the pockets of those in the income earning bracket of \$24 000 to \$50 000. It should not be given to people on our income level. It should be believable. If it is, I predict Kim Beazley will be Prime Minister in a few months. The nightmare will then be over. It will be great for this State and it will certainly be great for the southern suburbs of Perth. Of course, it is the responsibility of every member to put forward the interests of their local area.

Mr Carpenter: That would be one of the best things that could happen to Western Australia.

Mr McGOWAN: As the member for Willagee just said, it would be great for Western Australia. Earlier today I heard the member for Bunbury remark in his contribution that John Howard never comes here or shows any interest. I can tell members opposite that the federal Leader of the Opposition is here every week, and he shows a vital interest in this State. In fact, Kim Beazley will be the first Western Australian born Prime Minister.

Mr Shave: So would you be if you were sitting on a knife's edge.

Mr McGOWAN: I think the member for Alfred Cove is sitting on a knife's edge as well. If I remember correctly, the candidate who nearly won the seat of Alfred Cove is now to contest the federal seat of Brand.

Mr Shave: I will not swap seats with you.

Mr McGOWAN: If Kim Beazley were elected as Prime Minister, it would be great for Western Australia, wonderful for Rockingham and a great accolade to our State.

**MR COURT** (Nedlands - Premier) [9.12 pm]: I am a little interested by the comment that a Labor Prime Minister would visit Western Australia more often. We have just had 13 years of Labor Prime Ministers and visiting Western Australia was a once-a-year exercise.

Mr Graham: That is not true.

Mr COURT: They came here so infrequently that they were ill at ease the whole time.

Mr Graham: Bob Hawke was a regular visitor.

Mr COURT: The only time I remember his coming here was when he went to the races on New Year's Day and a few other occasions. Under the Keating Government, it was basically a once-a-year visit. For 13 years the state members of the Labor Party remained silent on getting a better financial arrangement for the State. For 13 years they never put forward proposals to improve our position. They remained silent while more financial powers went across to the Federal Government in Canberra. The one opportunity they had to speak out was in 1984, when an agreement was in place under which the States would get access to the revenue growth by having a fixed percentage share of commonwealth tax revenues. That opportunity was blown because the legislation was changed so that that never happened.

Those opposite had 13 years within which to do something, but did nothing. Then when a comprehensive proposal was brought forward, as was the case in 1993 - it was put down as one of the reasons the Keating Government survived - an effective scare campaign was run against it. Now we have another comprehensive plan put forward and it is interesting that to my knowledge neither the Leader of the Opposition nor anyone else has explained what that person wants the Labor Party to bring out in its tax package in a week or two.

Dr Gallop: You don't listen to the radio. That is fine and I understand that.

Mr COURT: What is it?

Dr Gallop: First of all, we won't have a GST. Secondly, we will certainly have a very effective way of dealing with low and marginal income tax rates, much smarter than the one you have come out with.

Mr COURT: When the Leader of the Opposition says that it will be much smarter, does he mean lower rates?

Dr Gallop: We will not allow people on high incomes, like the Premier and me, to get lots of money while those at the bottom get nothing and go backwards.

Mr COURT: I do not think the Leader of the Opposition has looked at the detail of the proposals that have been put forward.

Dr Gallop: I have looked at it. You have not. You admitted today that the Treasury, the Minister for Family and Children's Services, the Minister for Housing, and the Minister for Education have no analysis of it. What sort of a Government are you leading? You have accepted something and you have not even analysed it.

Mr COURT: I do not know why the Leader of the Opposition is getting uptight on this taxation matter. It boils down to this: He has been caught out. A comprehensive proposal has been brought forward. He knows the only thing the federal Leader of the Opposition can do now federally is to try to bring about some taxation cuts that will be based on the surplus that has been created by the coalition Government. The best the Labor Party can do is to work out how best to spend the surplus the previous Federal Labor Government could not create.

Mr Marlborough: Next you will be telling me the intellectual capacity of John Howard is greater than that of Kim Beazley, and you will expect the community to believe that.

Mr COURT: I will say that. The Leader of the Opposition conveniently fails to ignore this issue in this taxation debate: Under the Constitution and the decisions made by the High Court of Australia, particularly in the past year, the States' ability to raise taxes from goods and services taxes has been ruled out.

Dr Gallop: That is not a problem to us because we do not agree with it.

Mr COURT: The Leader of the Opposition should listen to what I say. We no longer have the option to raise taxes

on liquor, tobacco and fuel. I believe it would be preferable for our Constitution to be amended by a small change that would enable the States to raise those taxes.

Dr Gallop: You want the States to raise more taxes. Is that what you are saying?

Mr COURT: I am saying that I think the preferable situation -

Dr Gallop: He wants a state GST as well!

The ACTING SPEAKER (Ms McHale): Order! There are too many interjections.

Mr COURT: I think we can begin to understand how over 10 years the previous Labor Government sent the State broke. I am interested in the comments of the Leader of the Opposition. Does he believe the States should have the ability to raise those indirect taxes?

Dr Gallop: We do not have it.

Mr COURT: I am asking whether he believes we should have it.

Dr Gallop: The High Court has ruled. Let us move on.

Mr COURT: I am asking whether he believes there should be a constitutional change. I am moving on. I am saying that I believe there should be a constitutional change that allows the States to have those powers.

Dr Gallop: Why are you arguing this?

Mr COURT: I am arguing this because members opposite have been saying that the States have a narrow revenue base.

Dr Gallop: That is right. That is why we want to have access to income tax.

Mr COURT: The States have a narrow revenue base. For years we have raised taxes on fuel, alcohol and the like, but now we cannot do that. The Federal Government has now said that it will give us all of those revenues as part of a growth tax, and members opposite say they will not support it!

Mr Kobelke: It is not giving you the taxing powers.

Mr COURT: I am saying that if we changed the Constitution, we could have it put into perpetuity if we wanted. What an amazing situation! For years members opposite have said that we cannot have access to these revenues, and we have a narrow revenue base. The Federal Government has now said that it will give us all those revenues -

Mr Kobelke: It will not give the States the revenue base. It will still be a commonwealth tax, which it will dole out by a formula which has yet to be agreed.

Mr Ripper: Exactly, and subject to change at a later date.

Mr COURT: It is not matter of a Federal Government doling it out. It is saying that all that money will go to the States and Territories.

Dr Gallop: And it can change it tomorrow!

Mr COURT: How then can we guarantee that the States will have access to an indirect tax base?

Mr Kobelke: Not by this model.

Mr COURT: It will be by changing the Constitution, which is the point I made in the first place.

Dr Gallop: The whole nation is interested in the GST package; and you are driving your little jalopy down some backtrack somewhere that no-one is interested in. Why not address the central issue?

Mr COURT: I am not being given the chance to say much in this place, with the two members opposite chirping away. I have made the point that if the States can reach agreement with the Federal Government, they will have access to income taxes; and a relatively small constitutional change will get rid of the uncertainty about whether the States can raise other taxes. However, in order to overcome that problem, because the Constitution will not be changed in the short-term, the Federal Government will give the States access to all of the revenue from that broad-based indirect tax. Members opposite are saying that a trick must be associated with it.

Dr Gallop: Why was this proposal to change the Constitution with regard to those taxes not mentioned in your submission to the Commonwealth Government?

Mr COURT: It has always been mentioned.

Dr Gallop: Where?

Mr COURT: I have said in this Parliament on many occasions, and in public speeches, that a small change to the Constitution will be required. Every time we have discussed the section 90 High Court decision, we have made it clear that a small change to the Constitution will solve the problem. The Federal Government has now gone over the top of that and said that the States can have access to all of those revenues. However, there is a weakness: The Federal Government might change. A Labor Government might come into office and tell the States that they would not have access to all those revenues. However, it would not change the tax base. If a GST were implemented in this country, a Labor Government would not repeal it.

Mr Marlborough: We have never said that we would.

Mr COURT: Keating came here and sold members opposite a goods and services tax and got the state council of the Labor Party to agree to it.

Dr Gallop: That is not true. I was at that meeting, and it was defeated substantially.

Mr COURT: Even the current Leader of the Opposition has supported a goods and services tax.

Dr Gallop: I supported it at that meeting in 1984, but we suffered a substantial defeat.

Mr COURT: The Leader of the Opposition has changed his position. The Leader of the Opposition is telling us that even he supported a goods and services tax.

Dr Gallop: At that meeting I did.

Mr COURT: At that meeting. I have learnt something tonight! Even the current state Leader of the Opposition has supported a goods and services tax. However, he now thinks it is politically astute to oppose a goods and services tax.

Dr Gallop: It is not politically astute.

Mr COURT: What is the difference between then and now?

Dr Gallop: The difference is that those of us on this side of the House are within a democratic organisation from which we learn. I was mistaken at that meeting to support something that is so regressive. Unlike the Premier, we learn something.

Mr COURT: The same person who wanted to have a privately-owned power station is now saying that we cannot have a privately-owned power station.

Dr Gallop: You are pretty desperate.

Mr COURT: I am not desperate. The Leader of the Opposition promoted the virtues of privatisation.

Dr Gallop: What about defending this package on which you have sold out?

Mr COURT: The amendment states that the State is slavishly signing up to a tax package. If the States can have access to a guaranteed growth revenue of this magnitude, the States will effectively have a veto on whether the tax rate or the tax base will be changed.

Mr Kobelke: Not at all. Without constitutional change, they will have no such power.

Mr COURT: How can the Commonwealth legislate to increase it?

Mr Carpenter: By repealing the law. Easy! They will not ask your opinion.

Mr COURT: So how can the certainty of it be guaranteed?

Mr McGowan: It cannot be, unless it is in the Constitution.

Mr COURT: We have now gone in a complete circle. Members opposite now agree with the argument I am putting. We have learnt that the Leader of the Opposition supported a goods and services tax a few years ago but he does not support it now.

Dr Gallop: A few years ago! It was 15 years ago. I have consistently opposed it for 14 years.

Mr COURT: It will be interesting to see what package the Labor Party will come down with. Under its proposal, will the States get access to growth revenues?

Dr Gallop: There is no certainty of that at all.

Mr COURT: There is certainty under this proposal.

**MR GRAHAM** (Pilbara) [9.27 pm]: Members opposite are perpetuating the myth that in some way, shape or form, the Australian Labor Party at some time in its life had a policy of introducing a goods and services tax.

Mr Court: It certainly had.

Mr GRAHAM: It has never been a policy of the ALP, and it is not today. Let me explain what happened. In the early 1980s when the Hawke Government got into power, it held a tax summit. In the lead-up to that tax summit the then Treasurer, Paul Keating, released a series of options papers for income tax and other taxes in Australia. He supported what was known as option A, which included a broad-based consumption tax. That package put forward by Keating, which members opposite reinvented a decade later and called Fightback!, was never adopted as Australian Labor Party policy. I defy any member opposite to ever find a policy document from the Australian Labor Party which includes a broad-based consumption tax that was adopted by the party.

Mr Court: Do you accept that Paul Keating supported it?

Mr GRAHAM: Absolutely.

Dr Gallop: Perhaps you can contrast the way in which the Labor Party dealt with that issue through debates in its own organisation with the way in which this lot opposite have dealt with the issue within their organisation.

Mr GRAHAM: I am very pleased to say that in the Australian Labor Party, I was in the group that won and knocked off the tax. The so-called militant trade unions of the north, of which I was then a part, led a huge lobby group and put thousands of dollars into campaigns and petitions around Australia, with our colleagues in the mining industry on the east coast, to knock off broadly-based consumption taxes. I have never and will never support such taxes. They are the absolute antithesis of what I believe we should do in a civilised society. If the best that we could come up with in our community is to bring in taxes that tax the very livelihood of the poorest people in the community in order to give tax breaks to the best-off people in the community, something is wrong with the system. That is what the process does. It does not matter how we dress it up, it does not matter which one of the many analyses we look at, whether we in fact even look at the letter that the Premier sent to the state Premiers, whether we look at the Internet site, or whether we look at the blurb that is coming out over the \$10m education program that is being introduced by the Liberal Party - not by the Government of Australia, but by the Liberal Party. It does not matter to which sources of information we go, the substantive beneficiaries of the tax program are the best-off people in the community, whereas the people who pay the greater proportion of their incomes on essential goods in their family lives pay more as a percentage of their income.

That argument defeated Paul Keating's option A. That argument forced John Hewson to exclude food and the essentials of life, as he called them, from the first proposal by the Liberals to introduce a goods and services tax, and it is, I hope, the logic that will force the Government from office - not the State Government, because when that election comes it will not be about that, but the Federal Government. Nothing that the public does or says can convince me that the election is about anything other than taxation. The simple bottom line is that if the public of Australia wants a regressive goods and services tax, it should vote for it - vote Liberal and vote National - but if it does not want it, it should vote Labor. That is what the election will be about. I agree with the Prime Minister on one thing: It is not happening by stealth. This is one occasion when the public cannot blame politicians. The choice is quite simple and it is for the people to make.

I dispatch and deal with quite clearly the assertion by the Premier and the conservatives that the Labor Party has ever supported a goods and services tax. The Keating proposals in the early 1980s were put out as a discussion paper, circulated through the party, taken to the taxation summit, and ultimately knocked off in votes in the Labor Party. I challenge the Premier to do the same with this package. He should get John Howard to get it up through the party machines in the National Party. How does he reckon he would get on there? Let us see him get it up at the Liberal Party branches. The branch in Port Hedland would not support a GST, for example.

Mr Bloffwitch: You know, do you?

Mr GRAHAM: Yes. I probably have more supporters there than the member for Geraldton has. I can just about guarantee that.

Mr Bloffwitch: I bet you have.

Mr GRAHAM: Prove me wrong. The member for Geraldton can take the package out of his party room, take it out of the Peter Costello-John Howard secret seven, try to sell it to his party, as we did, have it voted on by members of his party and see how far he gets.



Mr Court: When did you do that? When was your previous state conference?

Mr GRAHAM: The national conference in Hobart in January.

Mr Court: No, the state conference.

Mr GRAHAM: We are different from the Liberal Party. We actually have the equivalent of a state conference every month.

Mr Court: How often do you have a national conference?

Mr GRAHAM: Every two years.

Mr Court: It depends when an election is coming up. If an election is coming up, you do not have one.

Mr GRAHAM: Of course we do. We have been known to have - what is the overriding policy - absolute rigidity with maximum flexibility, as has the Liberal Party. There is no problem with that.

I want to go back to the package that is being put out. The Prime Minister and the Treasurer regularly say that the package has the support of all employers. That is true to date, except with two major exceptions, one being the housing industry, which happens to be one of the major employment blocs in the nation and particularly in the State, and the other being the tourism industry. It depends to whom one talks - the tourism industry is still trying to get its act together - but generally speaking the comments that have come out of the industry have been extraordinarily negative. Between them, those two industries are two of the major direct employment groups in the nation, and they do not support the proposal.

I want to go on, because it is an interesting proposal, whether we strongly favour the package, support it or disagree with it. Nearly every commentator who has looked at the proposal has said that it is interesting. In all the documents, papers and analyses that I have read, the only thing that is certain is the introduction of a goods and services tax. Everything else in the tax package is conditional upon something. For example, a State's share is conditional upon the State revoking certain other taxes. Assistance to home buyers is conditional upon their being first home owners. The GST itself is conditional upon the States agreeing to meet the costs of administering it. We are allowed to be the clerks but we are not allowed to be the taxers. That is an interesting principle.

The personal income tax cuts that underpin the political attractiveness of the proposal are conditional upon Australia's achieving budget surpluses the likes of which we have never achieved before. People are trying to lock away the rate with some certainty. I am probably a minority of one in Australia because I do not believe that there is a need for certainty in taxation, quite frankly; there never has been and there never will be. Attempts by Governments of today to lock away the actions of people in future should be discouraged, because the future belongs to those people, not them. We are here to legislate for today and to have an effect in the future, but if future Parliaments want to increase or reduce taxes they should be able to do so.

If it is the growth tax that the various Liberal Premiers are saying that it is and we end up with record incomes in this State - however, that will be highly unlikely - how do we go about reducing the tax? The short answer is that we cannot, if we believe the Premier, and I do not; or if we believe Costello and Howard, and again I do not, because the point has been made at length that the guarantee that they have put in place is nothing more or less than federal legislation. It does not matter after that what the States do. First, we do not have the power and, secondly, even if we did, any legislation that we would introduce would be subordinate to federal legislation. All that it runs on is a wing and a prayer. The Premier tries to twist that around and say that if a Labor Government were elected, it would change it. It is open to any Government to change it. There is no doubt that there will be a political price, but it is open to any Government to change the rate at which the GST is applied.

In all honesty, when I saw the documentation from the Prime Minister I was genuinely stunned and amazed - given the current Premier of Western Australia's position and his rhetoric about being a fierce states'-righter and a strong supporter of Western Australia - to read on page 5 of the Prime Minister's letter that the States will collect the tax, that the GST revenue will be distributed conditional upon the States and Territories applying HFE principles, and that the Grants Commission will continue to determine the equalisation formula.

I make this point, and it is a shame that the Premier has left the Chamber. This document of over 400 pages, about one and a quarter inches thick, contains the Western Australian State Government's submission to the Commonwealth Grants Commission as it is currently reviewing its principles. It relates chapter and verse why the current system fails Western Australia. It points out each of the categories and how badly Western Australia fares under the current system. It spells out the shortfalls; that our grants are not growing at the rate the State is; and also how many factors like isolation, remoteness, higher than national average aboriginality and higher than average crime levels impact on the budget of the Western Australian Government but are not recognised by the Grants Commission. I have said

before to members opposite that it is a good read. They should read this document and compare it with the press releases from their ministers. One wonders whether they live in the same world. This is the State Government's position on what is wrong with the distribution of funds now, yet our Premier has agreed to continue that system.

Mr Kobelke: He has compounded it.

Mr GRAHAM: He has compounded it by saying we should get the people who cannot do the job properly now to do the job in the future in the same way as they are doing it now by giving up our taxing powers. It is quite extraordinary. If we read it in a Humpty Dumpty or Alice in Wonderland story, we would not believe it.

We looked at whether we had it right or wrong, whether it was up or down, and we came across some interviews with John Stone. I am sure members remember John Stone. He was the guru of the New Right for a long time, after he retired as the head of Treasury. He became the head of the New Right; a little figure that members opposite must have heard when he spoke at the 500 Club. He was a very prominent and active speaker when Bill Hassell was leader of the Liberal Party because the conservatives loved him. However, he did a bit in his own nest and ran off and joined the Queensland Nationals; so he lost a bit politically. He was interviewed by Matt Peacock, who asked Stone what it meant. He made those points that I made earlier about it being conditional. The interviewer asked him -

So what's your advice to those Premiers?

Stone said -

I mean the Premiers, if they are at least in any way interested in retaining the relevance of their own States as entities in the federation, should tell the Commonwealth to go and get bloody well lost.

They were his words, not mine.

I mean, this is bizarre this thing, I mean here we have in 1901 we had a situation where, you know, we ushered in the federation and in the year 2001 those two great centralists John Howard and Peter Costello will be ushering the federation out again - it will all be centred in Canberra.

The interviewer then asked -

Overall, what do you like of the package, I mean the income tax cuts were welcome, were they not?

Stone said -

Yes, I think those parts of the package look fairly good to me . . .

Of course they look good to him; he is double dipping. He has his bureaucrat superannuation and his parliamentary superannuation. He is getting about a \$100-a-week tax cut. He may be only single dipping; however, he is a millionaire on superannuation. He would do all right out of this with his guaranteed income. He would get about \$100 a week in tax cuts, therefore he supports that. He goes on to say -

. . . of course they can all be in fact separated from this GST stuff. I mean this GST . . . I can't emphasise too strongly - this GST stuff is the greatest blow to federalism since 1942, since the Commonwealth took over the income taxing powers of the States. This is from the Prime Minister, who, when he laid down five so-called principles of tax reform last August, was it - he made the fifth of them a need to reform Commonwealth/State financial relations this doesn't reform them- this just abolishes them.

That was John Stone, a man of some significance in these matters because he had been a wheeler and dealer in the government financial systems of Australia all his adult life. Whether or not you like him or agree with him, that is his view.

We cannot endorse the view that this is a benefit for the States if one reads the Prime Minister's letter. It takes taxing powers away from the States and if in future any one of those powers is introduced again, all GST revenue will be lost - end of story. There will be no power to tax; that power will be given up forever. The taxation power still remains with Canberra. It never shifts to the State. The limit and the level will be set by Canberra. As I said before, I am stunned and amazed by this Premier; having given up all of that, he agrees to pay the \$350m-odd that Jeff Kennett predicted tonight would be needed to administer the scheme. We will be paying to collect the Commonwealth's tax that it will in turn give back to us reduced.

**MR BLOFFWITCH** (Geraldton) [9.47 pm]: I remember that the wholesale tax in 1970 was 15 per cent. In those days people were able to buy equipment for their workshop, shop or delicatessen and get a sales tax exemption as they were using it within the business. That was phased out between 1970 and 1972.

Mr Carpenter: Why was that?

Mr BLOFFWITCH: I guess the Government of the day thought it was giving too much away. I was very upset that we had to pay then what was called a sales tax or wholesale tax on equipment that we were not selling but using in our businesses. The one fundamental difference between a wholesale tax and a retail turnover tax is that with a retail turnover tax all inputs are deducted from sales revenue. However, in deducting the inputs, anything used within the business - equipment, photocopiers, computers and so on - is exempt. People can claim for equipment as no-tax items. For the first time the Government will give us a fairly level playing field. At the moment the mining industry gets concessions on sales tax. The farming industry gets concessions and sales tax exemptions on some items. Those are the only industries in the community which get those concessions. Under the proposed system we will all have a chance of buying our equipment without the imposition of tax.

Wholesale sales tax started off in the Second World War, probably in 1942, when the Commonwealth took charge of the income tax regime. It started off at 2.5 per cent. It is now 22.5 per cent. Of course some items, such as electrical and television goods, are taxed at 32 per cent. Those items are classed as luxuries. A mantel radio is classed as luxury equipment and people pay 32 per cent tax on that item. The system is so antiquated that it must be replaced by something else.

The saving to a business on this input deduction, whether it be a manufacturer, exporter or producer, is staggering. When people say to me that apples will go up by 10 per cent, I say that, yes, they will but transport costs will go down by probably 8 or 9 per cent. That is at the first level. The costs of the packing shop will go down considerably. Until the situation settles down and we see what exactly will be the cost impact, nobody can guess at this stage what it will be.

Mr Riebeling: Just let it go through and see how it goes.

Mr BLOFFWITCH: I intend to be promoting it to make sure that it does go through.

Mr Riebeling interjected.

The ACTING SPEAKER (Ms McHale): Order, the member for Burrup!

Mr BLOFFWITCH: The member for Pilbara was saying how unpopular the GST is. At a couple of meetings I have been to a couple of people have not been in favour of it. By the time I have left, having explained the benefits that will result, not one person has said that he or she does not think that it is a very good idea. It is the easiest story in the world to sell someone. To give members some idea of the confusion in the community, people have phoned me and asked that if it goes through three lots of processing, will the 10 per cent not be added on to every process.

Several members interjected.

The ACTING SPEAKER: Order!

Mr BLOFFWITCH: Will it mean that it is 30 per cent? No it will not. It will mean that when people buy and sell an item they will deduct what they paid when they bought it. People pay the difference. If they bought something for \$10, 10 per cent would be a dollar. They would pay \$1. If they sold it for \$15, 10 per cent would be \$1.50. They would send away the 50¢ from the \$1 they paid. They may sell it to the next manufacturer for \$20. That manufacturer might say that 10 per cent is \$2 and that he will sell it for \$30 and therefore deduct the \$2 he paid from the \$3 and so send off \$1. I do not think anybody is terribly sure what the level of tax will be. I believe that, as happened in New Zealand, the amount of tax that will come in will stagger the imagination. When New Zealand went to a GST it estimated that it had 180 000 businesses.

Mr Marlborough: They found another 6 000!

Mr BLOFFWITCH: Yes. When people were asked to register and had explained to them the implications if they did not - that they would be collecting the GST but getting no credit for it - New Zealand found it had something like 350 000 registered businesses. That gives members some idea of the number of small businesses that do not pay any prescribed payments system tax. They do not pay any sort of registration fees. Only the Labor Party would say that the cash economy does not exist in this country because it would have no idea of the number of businesses which have not complied with the law governing the cost of anything. The GST is a very good method of getting those people involved through a penalty. If they do not become involved, they will be paying GST on everything they buy and they will not be able to get a deduction for it. The worst we would end up with would be that at least on businesses' inputs we would be getting a GST -

The ACTING SPEAKER (Ms McHale): Order! The member for Pilbara will not conduct a conversation across the Chamber with the member for Hillarys.

Mr BLOFFWITCH: Looking at the positives and the negatives that we have in our system, there is no doubt, as the

Leader of the House has said, that it is absolutely vital that if we are dealing with other countries with a similar system to the GST and we have the archaic system of the wholesale tax system, we are not simply out of the game but a mile out of it. We are absolutely uncompetitive in those countries. We have a chance as an exporting nation to get competitive. Exporting is what we are all about. People ask me why all of our industries in Australia are disappearing. They ask why the biggest supplier of whitegoods to Australia is a New Zealand company. It is because our tax system is prohibitive to people trying to export or people trying to produce. Everything they buy has that 22 per cent component compounding through the manufacturing process.

Mr Kobelke: You just said 22 per cent.

Mr BLOFFWITCH: I said 22 per cent. It started at 2.5 per cent.

Several members interjected.

The ACTING SPEAKER: Order! The member for Joondalup. I have already asked other members not to carry on conversations across the Chamber.

Mr Baker: I apologise, Madam Acting Speaker.

Mr BLOFFWITCH: The tax already adds millions and millions of dollars to our exports. We have a chance to do something positive and let every business in this country not only enjoy lower operating costs and get credits on the tax they pay for items they use in their business, but also have the chance to use the cash flow. If one turned over less than \$20m - I think I turn over more than \$20m, so I will not enjoy that benefit -

Mr Riebeling: Poor bugger!

Mr BLOFFWITCH: It is not the end of the world! If I were turning over that amount I would be saving \$180 000 a month. Over three months that would amount to \$540 000 before I had to pay my first \$180 000. That would give me a positive cash flow in my bank of \$360 000 and would keep my bank manager a little happier than he is now. That is the opportunity we would be giving every small business person in Australia. Members opposite are saying we should not give them an opportunity to take advantage of this very lucrative payment. What positive cashflow do I get out of the present wonderful wholesale tax? Nothing. On every piece of equipment I buy I must pay that wholesale tax. The change will be monumental.

Mr Graham: Now thanks to your mob, my 80-year-old mother will have to pay GST.

Mr BLOFFWITCH: If the member for Pilbara's mother is earning money she will pay tax; he is absolutely right.

Mr Graham: She is a pensioner and you will be taxing her on her pension, so you can put it in your business and in the bank.

Mr BLOFFWITCH: She will receive an increase in her pension and therefore the threshold on her tax will be increased to give her a massive advantage in the marketplace. Despite the rhetoric members opposite keep yelling and screaming, I am convinced she will be much better off. If she listens to the member for Pilbara she will be worse off. I hope she will not take too much notice of what he is saying but rather consider the facts, the realism, the benefits and the increase in the threshold.

Mr Barnett: She will probably vote Liberal.

Mr BLOFFWITCH: There is a fair chance she will because if she does her situation will improve. I am sure the situation of the average Australian will improve under this package. I am sure that is how they will view it.

**MR KOBELKE** (Nollamara) [10.02 pm]: For a change I will address the matter before the House; that is, that Premier Court has sold out our State by slavishly signing up to a tax package that will increase this State's dependence on the centralised revenue-raising power of the Commonwealth Government. The Premier's cover of claiming to be in favour of States' rights has evaporated. He is slavishly following a policy of centralising economic power in Canberra. All his bleatings about standing up for Western Australia amount to nothing.

The phrase "vertical fiscal imbalance" does not mean much to people; nonetheless it impacts on them. Eighty per cent of the revenue raised by Governments throughout Australia is raised by the Commonwealth; yet the States that must provide police, education and health services require that money to come back in part to the state coffers.

The huge problem presently facing our hospitals is the end result of that vertical fiscal imbalance, whereby the State cannot or will not find the money to stop people in the community suffering because they cannot get into hospital to have the procedures they require. It is a real problem affecting many people in my area for which this Government simply blames the Commonwealth and the Commonwealth blames the State. That is the sort of issue that will not be addressed in any way in this Howard tax package.

This tax package by the Howard Government will make the situation much worse. The 80 per cent total tax raised by the Commonwealth will reach an even higher figure under this proposal; yet in his contribution the Premier said nothing about it. He dragged so many red herrings backwards and forwards through the Chamber he smelled like a fishmonger. He would not even address the central issue of the amendment; that is, that the tax package proposed by the Howard Government will increase the commonwealth tax take and will reduce the taxing powers of the States. That is opposite to what the Premier has argued for and what is clearly needed.

The Prime Minister and the Treasurer have cleverly dangled a carrot before the Premier and this Premier is just the rabbit under the carrot. He is the bunny. The Commonwealth has hold of the string and it can raise or lower the carrot to get our bunny of a Premier to jump or hop to its tune. That is what this tax package is about. The Premier would not even speak to the issue in this place.

I will outline a number of issues that relate directly to the reduction in the States' financial bases if this package were implemented. The rate of 10 per cent will be controlled by the Commonwealth. In theory it will have the power to raise or lower it whenever it wishes, as long as it has the numbers in the House of Representatives and the Senate. Therefore it is not a state tax; it is a commonwealth tax. Not only the legislation but also the administrative details will be under the control of the Commonwealth Parliament.

The Commonwealth will charge the States - one newspaper suggested \$500m a year - to collect the tax from the States. If the Commonwealth wants to charge the States \$1b rather than \$500m it could do that. It is the Commonwealth's tax; it can alter the collection costs to whatever it thinks it can get away with.

Thirdly, a problem the Opposition has with the GST being a commonwealth tax is that if loopholes become apparent only the Commonwealth will have the ability, through either legislative or administrative means, to close them. Although people on the government side said the GST will be a more efficient tax because it will incur less avoidance, that is not necessarily true. Clear examples in other countries are evidence that avoidance occurs under a GST. I accept that if it runs well it may be more efficient. However, the proof of the pudding will be in the eating. It must be implemented in a way that closes a range of avoidances. Although that is a commonwealth matter, the States will pay the price if errors occur.

The GST will involve the complexity of the Commonwealth administering, controlling and running efficiently something of which the States are the users and beneficiaries. That is a very poor principle of taxation.

Further, as the member for Pilbara indicated, distribution of the funds is yet to be worked out. The Prime Minister and the federal Treasurer have indicated vaguely the mechanisms. As pointed out by the member for Pilbara, those mechanisms are clearly disadvantageous to Western Australia. In fact I think this Government's figure indicates that over five years, since 1993, Western Australia has been disadvantaged cumulatively to the tune of \$778m as a result of the formula used by the Grants Commission. Yet the Premier says the proposed GST will be a good deal.

The package attempts to promise - we all know what a Howard promise is; we should worry if he says "never, ever" because that might mean one or two years - that the aggregate payment to the States is guaranteed for three years. After that there is no guarantee - it is seen to be a growth tax, and I will say more about that later - even though a Howard guarantee is not worth much.

One then has a huge problem of the Grants Commission splitting up the money. The Premier raised the issue of the changes in 1985-86 when the Labor Government took away the tax sharing arrangement. That is true. However, it is a matter not of Labor versus Liberal, but of the powers the Premier wants to give to the Commonwealth, regardless of its political complexion, which can change the rules. The Fraser Liberal Government in 1981-82 made a major change to the tax share going to the States. Previously, 33.6 per cent of the total take went to the States, and that was based on personal income tax collection. The Commonwealth did not like that. Prime Minister Fraser realised that the personal tax take was growing faster than the total tax take, and his Liberal Government changed the arrangement from personal tax to total tax to reduce the contribution to the States. It is a state-commonwealth matter, not a matter of which Government may be in power. The Howard Government is just as centralist as the Keating or Hawke Governments might have been. The Premier is ceding those powers to the Commonwealth.

As members have already indicated, the destruction of the federal system is something on which other commentators have picked up.

Mr Barnett: Which state power is being ceded?

Mr KOBELKE: I will come to that. It is an important point, which I will go through. I have limited time and many points to make. We are clearly ceding taxing powers to the Commonwealth.

Mr Stone, who was formerly the head of federal Treasury, and is well versed in state-commonwealth relations, said -

I cannot emphasise too strongly - this GST stuff is the greatest blow to federalism since 1942, since the commonwealth took over the income taxing powers of the States.

Further -

I am also a Western Australian by birth and I was for two years an honorary Queenslander; I was a candidate of Queensland. I'll tell you what, if any of those outlying state vote for this stuff, they've got rocks in their heads.

Clearly, we see the States ceding taxing power to the Commonwealth, which will increase the total tax take by the Commonwealth. The actions of Premier Court have been a sell out, and a further reflection of his weak leadership. For example, in this place last Thursday, the Premier said -

The States will receive all the revenue from a goods and services tax. By being locked into that growth revenue, within a 10-year period our revenue base will increase by \$7b for all States, which is about \$700m for Western Australia.

Therefore, in 10 years, if all projections are correct, we will have \$700m more revenue. People do not place a lot of reliance on the rubbery figures in this process. However, that amount is meant to be the basis for transferring greater taxing power to the Commonwealth to the disadvantage of the State.

The tax is supposed to be a growth tax. I accept that the general orthodoxy is that it will be a growth tax, and that there is good reason for that belief. However, one cannot be assured that it will be guaranteed to be a growth tax. That is evident in the Federal Government's undertaking. It will maintain it at that level or higher for only the first three years. What problems could arise to undermine the growth aspects?

Firstly, as has already been said, avoidance of the goods and services tax is yet to be tested. We might find that the loopholes are bigger than the Government intends. That potentially will whittle away at what should be a growth tax. The Commonwealth must fix such problems. We also have two major factors at play in the economy: First, the globalisation of the Australian economy, particularly the Western Australian economy. As we become more involved in trading internationally, and with international companies trading out of Western Australia, more opportunities will arise to avoid a goods and services tax. Problems will arise, which the Government may effectively meet; however, we must wait and see.

The second area in which the GST could be undermined is the move to electronic commerce. If this area takes off as some people predict, the supposed growth tax in GST may not turn out to be the big carrot so attracting the Premier. On the surface, one expects it will be a growth tax, which is a good thing.

Another factor is a shift in the cost side. If the changing rate of taxation on stocks and shares, as opposed to investing in residential property, means many small investors move out of residential leases to the stock market, a growing housing shortage will occur. The States take responsibility for housing. When one has a major change of the mix in the taxing system, such wins and losses will arise. The State could face additional costs; for example, the need to provide more public housing. Those matters could eat into what is supposed to be a growth tax.

The GST rate elsewhere has increased. That power will rest entirely with the Commonwealth. Members are aware that of the 23 Organisation for Economic Cooperation and Development countries which have a broadly based consumption tax, 21 countries have increased the GST rate from that first set. The Howard guarantee of the rate being held at 10 per cent does not look too good. The way it is structured indicates that the Commonwealth has set out to increase it above the 10 per cent rate.

I now take up the interjection from the Deputy Leader of the Liberal Party to show how the structuring of the GST, with the history of the commonwealth-state taxation relationship, suggests that the rate will increase, and probably increase on the request of the States. The Commonwealth can change the rate as long as it can get the matter through both Houses of Federal Parliament. However, to do so, it will need political will and to bear the political pain, or transfer some of the pain to the States.

I now refer to some of the figures involved to see what might be a future scenario if implemented. For the current year, the state budget is expected to have recurrent revenue of \$7b, of which \$3b, in round terms, comes from the Commonwealth. We are told that in 2000-01, the GST is expected to raise \$27b. If we receive roughly our 10 per cent share, \$2.7b will be received. However, the Grants Commission may then have a different formula. To be generous, let us say that \$2.7b will come to Western Australia. We will give up a range of taxes. As these are not itemised, I estimate them to be approximately \$700m. If one adds on the cost of paying the Commonwealth collection, it is likely to be close to \$700m. I will be happy to be corrected by the Government. Therefore, \$2.7b will be handed over supposedly automatically from the GST directly to Western Australia. However, about \$700m must be forgone in state tax; I refer to current-day dollars, not those in the year of the scheme's introduction. The

net presentation to Western Australia is something approaching \$2b. On today's dollars, one will be still relying on \$1b from the Commonwealth to keep us at the current level of the \$3b commonwealth contribution to the State. The State must meet payments to the local government and the first-home buyers scheme, which are not listed in the items forgone by the States.

Where does that leave the States? If the Commonwealth has its forward projections wrong - everybody thinks that that is likely - when the Commonwealth's revenue is squeezed, it will have a number of options. First, it can break its promise on the tax cuts and increase personal income tax. Second, it can reduce government outlays on services, or third, it can squeeze the States. The Premier has in the past been happy to be squeezed by the Commonwealth and to hand over money which should have come to the State. If the States are squeezed by the Commonwealth, they will not be able to raise their own revenue. They will have forgone nearly \$700m in revenue in today's dollars. They cannot go back into those areas without jeopardising the money that will come from the GST. What options will be available? We know that the areas into which the States can move with taxation are extremely limited. The States may do an about face - I hope the Premier will not - and try to make a lot of money out of gambling taxes. From where else can the States raise the money?

The only thing that will be left to the States is to go cap in hand to the Commonwealth and say, "Let us put up the GST to 15 or 20 per cent so that we can cover the costs of all the services that we need to provide at the state level." The State of Western Australia will be put in a position by the Commonwealth, through its financial stringencies and its squeezing of revenue to the State through the one-third that it will still contribute to Western Australia, where it and the other States will have no option other than to tell the Commonwealth to put up the GST. We will then get in a bunfight where each will blame the other: The Commonwealth will blame the States for mismanagement and will tell the people of Australia that it is the States that want a 20 per cent GST rather than a 10 per cent GST; and the States will blame the Commonwealth and say that it has cut off the money and is to blame; and in the squabble, the losers will be the ordinary men and women, the pensioners and the low income earners, who will be paying a 20 per cent, or some other figure, GST rather than a 10 per cent GST.

What we have is a clever ploy. The Commonwealth just needs to pull the string and dangle the carrot in front of our bunny of a Premier, and he will try to get a bite. What we have is a total abdication by this Premier of his responsibility to stand up for the taxing powers of this State and to ensure that there is not a further move of taxing power to the Commonwealth. While the State will give up its powers voluntarily, the State will be locked into a system where it will be dependent on the roughly \$2.7b that will come in, less the \$700m that it will forgo; and at the end of the day, rather than collect 80 per cent of the tax take around Australia, the Commonwealth will collect considerably more, and the State of Western Australia will need to rely further on the Commonwealth to administer and collect the tax and to distribute it through the Grants Commission.

This Premier has failed totally to stand up for the interests of this State, because he perceives it to be in his political interests to look after his mates in Canberra. It is about time we had a Government in this State that showed some leadership and stood up for the interests of Western Australia, rather than one that has adopted a political agenda that suits the Premier because he wants to look after his Liberal mates in Canberra.

**MR MARLBOROUGH** (Peel) [10.22 pm]: The Prime Minister and his Treasurer, Mr Costello, are absolutely right when they say that the Australian taxation system needs dramatic and substantial reform. They are absolutely right when they say that that tax reform needs to have, and will have, far-reaching effects on every Australian. They are absolutely right when they say that that tax reform needs to meet the needs and aspirations of average Australians.

However, it is when we reach that point that we need to ask the question: Why is it that in recognising that it is the time for Australia to significantly reform the taxation system, this Government under John Howard has set out to put in place the most cruel form of that change? Never has any other conservative Government in the past set out to be so cruel in its administration of a change to the taxation system. In recognising that we need to make broad changes to the taxation system, this Government has set out to shift the wealth from those who are most in need in this society to those who are the richest in this society. This will be the single most dramatic transfer from the poor to the rich that we have seen since federation.

We cannot deny that the current taxation system, which causes low and middle income earners to be affected by bracket creep when they work overtime and earn extra income, has an inappropriate effect on families. However, in bringing about the changes that are needed to give people the incentive to work and earn a living, we do not want to see in Australia what this Howard Government is proposing, which will effectively shift the taxation burden from the rich to the poor, and will transfer the meagre income and means of the poorer members of our community to the top end of the market, so that people such as I on an income of \$80 000 or \$100 000 a year will effectively be \$5 000 a year better off, while the disadvantaged will continue to suffer. I repeat: No Government since federation has attempted such a transfer from the poor to the wealthy as has this Government under this tax reform proposal.

This Government believes that by giving the average family an extra \$25 a week, it can walk away from its obligation to provide a proper education system, and to provide a health system that works and cares for those who are most in need. I suggest to the Premier that most people would be more than happy to give up that extra \$25 a week to ensure that the education system was working, that their children were given appropriate opportunities to go on to year 12 at high school or to university, and that more resources were put into the state education system. I suggest that most people would be more than happy to give up that extra \$25 a week to ensure that the health system cared for those people who are in need. People are waiting for hip operations and knee joint operations, but under the health system in this State, that is categorised as elective surgery. Try telling the cripple on the waiting list who cannot walk 10 paces that what he is waiting for under our rundown health system is simply elective surgery! I suggest to the Premier that the average Australians for whom I care, and for whom I hope he cares, would gladly give away that \$25 handout to ensure that appropriate education and health systems were in place. What benefit is it to people to have an extra \$25 in their pocket each week when we have a privatised bus system that the operator refuses to run at night because it is not economic to do so? They would prefer to have a proper public transport system.

The taxation system started to go wrong from the day the Howard Government was elected. The formula for creating this massive change, this massive imposition on the poor and giving to the rich, was brought about in the first Costello budget when he took \$6b of government expenditure out of the marketplace in his first year in office. He took it from education, health and other services such as child care, dental care for the elderly and so on. He took it from those who most need it - pensioners and all those who require government assistance. They were all affected by that \$6b cut in Costello's first budget. Costello has now had three budgets - this is his fourth. In his first year in office as Treasurer there was a \$6b cut, in his second year in office there was a \$1b cut, and in his third year in office he gave back \$2b. This time he is asking us to believe that all of a sudden he will care for us all by giving us back, under a GST, \$10b over four years. It is simply unbelievable. Nobody believes it. They do not believe it because the people who are to carry the burden of this reform of a tax system, which I have clearly indicated is needed, are those who can ill afford it. There is nothing in it for the pensioner, the long-term unemployed, young people, people who want a better hospital service or people who want a better education service.

As I have said, the cruellest and most despicable part of the tax package is that the Government, in recognising the need for change, has used it in the most cruel way to transfer to the rich from the poor. By anybody's assessment that is what has happened. The poor will continue to decline in terms of their ability to look after themselves, to put food on the table and to clothe themselves. We must ask ourselves this question: What does it matter to somebody on an income of \$100 000 to have \$84 extra a week in their pocket? Does the person on \$100 000 really care? Will it make a substantial difference to his or her lifestyle? I suggest that it will not do so at all, yet at the other end of the scale we have pensioners. Last Friday's edition of *The West Australian* revealed that the package would result in an annual loss of more than \$370 for those most in need - those who most need a caring Government to look after them. They have been ignored. Although we recognise that reform of the taxation process needs to happen and that the Prime Minister and the Treasurer have set about bringing about that change, we on this side clearly differ in respect of the massive, cruel, illogical transfer of wealth to the rich from the poor. I am glad that the Premier is here; I listened carefully to his input earlier this evening. I ask him directly: Will he give a commitment to this Parliament that he will never in any circumstances increase the GST?

Mr Court: Yes, I will give that commitment.

Mr MARLBOROUGH: He will give that commitment. I am delighted to have the Premier's comment on the record. That is a very important commitment, but it shows the shallowness of that statement, and I will tell members why.

Mr Baker interjected.

Mr MARLBOROUGH: Omelette really should quit while he is ahead, before I really start on him. Omelette is ready to be really served up. He leaves a bad taste in everybody's mouth, mainly on his side, and he ought to learn. He was not a real good lawyer and he is not a real good politician.

The ACTING SPEAKER (Mr Sweetman): Order! The member for Peel.

Mr MARLBOROUGH: He is not a real good politician; let me give him the tip. I am delighted to hear that commitment, and I will tell members why. It is a shallow statement because it puts to lie John Howard's statement that the only people who can guarantee to the Australian people that the GST will not alter in any way are the seven Premiers. Here we have one Premier who has already said, regardless of what the other six are saying, "I will give a guarantee that I will never, ever increase the GST in any circumstances." From today's exercise we know that the Prime Minister can undermine that at any time, whoever the Prime Minister may be. The Premier said that if there is a change of Government, a Labor Government could come along and say, "We are not having a part of the GST."

Mr Court: That is exactly what happened.



Mr MARLBOROUGH: Any Government can say, "We will allow the States to tax in this area", or, "We won't allow them to tax in this area and we will give the States money on the basis of a grant system that we have in place now."

Mr Court: Do you support that?

Mr MARLBOROUGH: To the degree that it forces the State to increase its own revenue base, one would have to be concerned at what control the Premier had over his own state economy in future. If I were looking at a Grants Commission that would be paying to my State GST on the basis of what I am capable of bringing in as a State Government and what I may not be bringing in compared with other State Governments and I would be penalised as a result of that, by definition that is a massive shift to the federal body running our budget. I would be very concerned about that formula. I thought that historically the Premier was concerned about it. He has talked on numerous occasions about the fears of centralisation, how it should not happen and how we should not hand over such powers to the Commonwealth. In fact, he has got himself very much offside.

Mr Court: So if they hand back a major revenue, the member for Peel says that that is not a good thing.

Mr MARLBOROUGH: We will have a chance to debate that matter some other time. The Premier knows as well as I do that they may say, "We'll hand back", or, "We'll take away". I do not think that this package will get up because the Australian public will see that what I am suggesting is true. It is the cruellest grab from the needy to the greedy. It has been delivered by the Premier's Government in Canberra - he is part of it - and I do not think that the Australian public will support it, so I do not think that it will happen.

I am delighted that the Premier has given that commitment to no increase in the rate of the GST. Those words will come back to haunt the Premier. He will not increase it under any circumstances, but it shows how hollow the Prime Minister's position is on the matter. The Premier is able to say quite clearly what his position will be. He is not worried about what the Prime Minister says to him in future about the GST. He is not worried about what may come out of a Grants Commission type of formula. He is saying, "I will give that guarantee", and that guarantee will come back to haunt him. I am delighted that he has given it.

Members on this side of the House who recognise the need for taxation reform in Australia will bring out a tax policy that will clearly demonstrate the difference between Labor and a right-wing Liberal Government.

Mr Court: What will the member do? What would he like to happen?

Mr MARLBOROUGH: It will be a budget that will care for the needs of all Australians. It will not leave those most needy in the gutter stretching out for a hand of friendship. The Labor hand of friendship will be there letting them know that one political party in Australia cares about the role they play in this society and is willing to encompass all people regardless of their income, IQ or standing in life. We are all inclusive when we look at Australia, Premier, which is more than can be said for the Howard Government and this GST formula.

Amendment put and negatived.

*Debate (on motion, as amended) Resumed*

**MR BAKER** (Joondalup) [10.40 pm]: I wish to make a brief contribution to the debate on the motion before us. Like many other speakers, I will make some brief comments in response to the law and order issue, particularly bearing in mind the remarks of the Governor in his speech last week. I wish also to use this opportunity to respond to a couple of assertions on this issue made by members opposite and, hopefully, to refute those assertions.

Most members of this Chamber agree that one of our primary duties as members of Parliament in a representative liberal democratic system of government is to listen to and act upon the express instructions or desires of our constituents on all the key issues that impact upon them, particularly the ones that relate to the issue of law and order. We are also duty bound, once we do that, to ensure that we make the requisite legislative and policy changes to reflect the community's views of these issues and how they should be dealt with. With this in mind, it is important that we listen to what the majority of the people of Western Australia are telling us we should do in response to the contemporary challenges to the rule of law in this State and the administration of our system of criminal justice.

Rightly or wrongly, my perception of the feeling of the community is that most of the people of Western Australia are calling for the reform of many facets of our criminal justice system, but particularly in the areas of policing policy, sentencing and the way the criminal justice system operates. Every member of the WA community accepts that the solutions to our current crime problems and our comparatively high crime rate require a raft of broad-ranging measures, starting with the way our so-called modern, enlightened society and its family unit of varying descriptions conditions and socialises our children; how they are imbued with appropriate belief systems and moral standards right through to the formation and manifestation of criminal behaviour and the processes of detecting, investigating,

prosecuting, convicting and appropriately sentencing people guilty of criminal offences; and also the way in which we administer our criminal justice system.

It is a very complex problem. My view is that the problems giving rise to this current problem began to unfold over three decades ago as a result of certain so-called socially progressive upheavals in the fabric of our society. I refer here to the family unit. Many of these upheavals began back in the 1960s with the so-called "if it feels good do it" generation or the "why not?" generation. Many people who were teenagers and young adults in that generation are now parents and grandparents. Time will tell if I am right on that issue. I suppose we will have to wait for the social historians and analysts to analyse these changes in society since the 1960s. This revolution is not new. Many other cultures in society throughout history have experienced similar upheavals, only several hundred years later to go through a period of renaissance and a moral and social rejuvenation.

Irrespective of what I have said and what my views are, it is clear that the people of WA are looking forward to direct and immediate action on the law and order issue. The vast overwhelming majority of people of WA - particularly my constituents but also many other constituents of members of Parliament on either side of the Chamber - are demanding the introduction of a policy known as zero tolerance for all offences, particularly for offences that are usually committed in the first instance at street level and sometimes later in an aggravated manner in the homes of our constituents. I speak of assaults of various kinds including robbery and burglary, the latter now being described as home invasion. This is a sanitised and inane politically-correct term, and an inappropriate description for offences of that kind.

If members doubt the veracity of what I say or my assessment of the mood of the WA electorate on this issue, I sincerely urge them to conduct a cursory poll of their constituents. I am sure they will find that what I say is correct. It is a very important issue impacting upon the community.

Many of my constituents have told me also that far from being a mere policy option, a policy of zero tolerance in policing is the only policy for policing crime in our State, particularly crimes against the person. To those members opposite like the member for Rockingham - who I do not think is here today - and the member for Pilbara, who are of like mind and who oppose the notion of zero tolerance, I sincerely believe that they are out of touch with their electorates. How can it be said that a policy of investigating crime and seeking to deter or in some way prevent the commissioning of crimes constitutes police harassment? If that is a case of harassment, so be it. However, it is a case involving lawful and proper harassment, bearing in mind all the circumstances our communities face at the moment on the crime issue.

To the member for Rockingham - who, once again, is not here - and also the member for Pilbara I pose a simple question: If they do not endorse a zero tolerance policy in policing crime, what level of crime do they say we must accept in our society as being usual, par for the course or acceptable? How much crime should we tolerate? When one thinks about that, one would think the immediate response would be "none". My view is that the community certainly believes that a zero tolerance policing policy is the way to go, particularly for crimes involving offences against the person.

Another issue I wish to touch upon briefly is corporal punishment as a disciplinary or punishment option in the law of sentencing in our criminal justice system; and also the possible imposition of hard labour as another sentencing option or disposition ancillary to others that already exist. Once again, I am of the view that the majority of Western Australians support the appropriate use of corporal punishment as a form of social discipline or punishment in the system of criminal justice. In view of this, why not conduct a trial using this as a sentencing option and then review its efficacy through time? There has been a lot of talk lately about trials. It is important that we keep an open mind on all the sentencing or punishment options that can be made available to our sentencing courts.

I now make some brief comments about the way in which criminal justice is administered in this State. It is okay to talk about the need for truth in sentencing, but what about the idea - perhaps the radical idea - of the need to search for the truth in criminal trials? Many of my constituents have told me that one of the primary objects of our criminal justice system should be to seek out the truth of any criminal allegation or assertion levelled at any member of the community. The question is: Is that the case? Is that how our system operates? The same problem arises in other States and Territories. The present structure of the system does not in any way enhance or assist the need to search out the truth to ensure that properly levelled criminal charges or assertions are properly investigated and dealt with in the court system. In a situation where a person is reasonably suspected of having committed a serious criminal offence, the person should be compellable under the law to fully cooperate with the investigating police officers and disclose all information relevant to the allegation or possible charge and all documents in their possession, power or control.

Accused persons should also be compellable to give evidence at their own trial. What I am suggesting is not all that radical because there are partial waivers and limitations on the right to silence in certain circumstances, depending

on the various types of offences. As a principle that should be a fundamental starting point. If we are to get to the truth of an allegation or assertion, we must be able to compel people to give information to assist in determining whether the allegation is factually correct. The biggest problem with our criminal justice system is that it is more adversarial than inquisitorial in nature. This is one of the major stumbling blocks that we face.

It is interesting to compare the roles of a judge and a magistrate when they preside in defended hearings in criminal courts with the role of a royal commissioner or the Anti-Corruption Commission and the powers of a royal commission and the Anti-Corruption Commission. Under the Royal Commissions Act 1968 which governs those powers, the powers of a royal commission are very broad-ranging indeed - far more broad-ranging than those of a magistrate or judge when presiding over a defended hearing involving a criminal charge. Section 7 of the Royal Commissions Act gives the commission power to do all things that are necessary or incidental to the exercise of its function as a commission. Under section 9 a commission has power to summons witnesses to attend before it and also to require them to give evidence and to produce books and documents as are required by the summons. Section 13 basically provides that if a person does not attend to give evidence or produce documents and/or give evidence, that person is dealt with as if he or she has committed a contempt of the Supreme Court. The Supreme Court accordingly has jurisdiction to deal with that contempt. Under section 14 of the Act a person who is required to attend in court, does attend but refuses to be sworn or, having been sworn, refuses to answer questions, may also be dealt with as if that person were in contempt. Section 16 provides for the arrest of a witness failing to appear before the commission. Myriad powers in the Act give that royal commission tremendous coercive powers, the object being, I would have thought, to get to the truth of matters before it which relate to its terms of reference.

It is fair to say that the primary object of the powers of a royal commission, as stipulated in the Royal Commissions Act, and also other similar bodies such as the National Crime Authority and the New South Wales Crime Commission, is to seek out the truth in respect of the matters within, in the case of a royal commission, its terms of reference, and to make findings of fact which later can be acted upon by various ways and means. One way would be, for example, to change government policy regarding a particular issue. Another may be to make recommendations that an allegation against a person should be referred to the Director of Public Prosecutions.

Truth must be the primary goal of any rational procedural system to be administered in our criminal courts, but this does not appear to be the case. Under our present system of procedures and administration, our criminal courts are not primarily concerned necessarily with getting all the facts. A case which summarises the rules or the adversarial nature of criminal proceedings is that of *Woolmington v The DPP*, 1935 Appeal Cases, page 462. According to my notes, Viscount Sankey gave at pages 481 and 482 his summary of "the golden thread", as it is called -

Throughout the web of the English Criminal Law, one golden thread is always to be seen, that is the duty of the prosecution to prove the prisoner's guilt subject to what I have already said as to the defense of insanity and subject also to any statutory exception. If, at the end of and on the whole of the case there is a reasonable doubt, created by the evidence of either the prosecution or the prisoner, as to whether the prisoner killed the deceased with a malicious intention, the prosecution has not made out the case and the prisoner is entitled to an acquittal.

This is very important -

No matter what the charge or where the trial, the principle that the prosecution must prove the guilt of the prisoner is part of the Common Law of England and no attempt to whittle it down can be entertained.

I take no issue with the assertion that it is primarily the Crown's or the prosecutor's role to adduce the evidence or that the test is that the onus of proof should be on the prosecutor, the Crown or the Director of Public Prosecutions or that the standard should be beyond a reasonable doubt. The point is that no reference at all is made in that quote to the term "truth" or the need to get to the facts. The judge simply looks at the facts put before him. Of course, in a jury trial a jury makes findings of fact and the judge gives directions and makes findings on the law.

Over the years myriad senior lawyers and judges - some current, some retired - have made various comments regarding the adversarial nature of our criminal justice system. One was a former judge of the New South Wales Supreme Court, Hon Adrian Roden QC. According to my notes, he said in 1989 -

The right to silence, the caution, the right to make an unsworn statement at trial without being cross-examined [this does not apply in Western Australia] and the common advice to 'say nothing' combine to frustrate many police investigators and courts alike, as under the common law system they are frequently obliged to proceed without the assistance of those who are likely to know more than anyone else about the matter under enquiry. Clearly that is not the best way of getting the facts.

As I have indicated, he is basically saying that because the system is mainly adversarial in nature it seems to act as an impediment to getting the facts.

Another possible bar to what many believe should be the primary object of seeking out the facts and finding the truth of any criminal allegation is the ethical guidelines which apply to lawyers representing persons charged with criminal offences. I am not saying that the ethical guidelines are inappropriate or wrong. With the way the current system is structured they are appropriate because we are working in an adversarial system. It is quite clear that the primary duty of a lawyer is to his client and to the court. Nowhere in these ethical guidelines is there a reference to a lawyer's duty to the community or to find the truth. His main duty is to do the best he can for a client, but it is also his function to assist the court. He is required to aid his client and present his client's case in the most favourable light.

A lawyer's primary duty to his client is best described in several ethical rules of the Law Society of WA that apply to a lawyer defending a person accused of a crime or, more particularly, representing a client on a not guilty plea after he becomes aware of the guilt of his client through, for example, an unequivocal admission. Ethical ruling No 14 applies to a lawyer defending a person accused of crime. According to my notes, guideline 14.2 reads -

When defending a client on a criminal charge, Counsel will endeavour to protect his client from being convicted except by a competent tribunal and upon legal evidence sufficient to support a conviction for the offence with which his client is charged.

Ethical ruling 14.3, which is perhaps the most interesting ethical ruling, reads according to my notes -

Counsel to whom a clear confession of guilt has been made by his client:

- (a) May, if the confession is made before the proceedings have commenced, or
- (b) Shall, if the confession is made during the proceedings

continue to act but shall not set up an affirmative case inconsistent with the confession by, for example, asserting or suggesting that some other person committed the offence charged or calling evidence in support of an alibi.

The third ruling that I refer to is No 14.4, which states that counsel may advise his client as to his plea for a criminal charge, if necessary in strong terms, but the client must be allowed complete freedom of choice as to the plea he wishes to make.

An often-quoted example of how this particular ethical ruling and others similar to it operate interstate is the High Court decision in a case of *Tuckiar v The King*, reported in 1934 in volume 52 of the Commonwealth Law Reports at page 335. If I may paraphrase the gist of the facts and the law that applied to a lawyer representing a client he knew was guilty of an offence, the lawyer became aware of this due to omission. The headnote reads that Tuckiar, a nomadic Aboriginal, was charged with the murder of a policeman. The prosecution led evidence of a confession made by Tuckiar to another Aboriginal. Consequent upon this, counsel for the accused informed the court, in the presence of the jury, that he was in the worst predicament he had encountered in all his legal career, yet the trial continued after the judge had spoken privately to the barrister concerned. The accused was subsequently convicted. His counsel told the court that during the proceedings his client had told him that the confession he had made to the Aboriginal witness was true. The barrister said he was telling the court this because he did not want the reputation of the deceased damaged. The majority of the High Court, referring to the counsel concerned, said that he had a plain duty, both to his client and to the court, to press such rational considerations as the evidence fairly gave rise to in favour of complete acquittal or conviction of manslaughter only. Whether he be in fact guilty or not, a prisoner is, in point of law, entitled to acquittal from any charge which the evidence fails to establish that he committed and it is not incumbent on his counsel by abandoning his defence to deprive him of the benefits of such rational arguments as fairly arise on the proof submitted.

Other commentators who have looked at this decision have had much to say. Judge E.A. Douglas, a former judge of the Queensland Supreme Court, in no way questioned that rule, but he did raise the question of whether the rule could be applied in circumstances, for example, where there is a divided profession and solicitors instruct barristers. He indicated that he saw some grave difficulties in applying that rule. On its application he said that the statement leaves counsel to explain to the solicitor why he is relinquishing the brief, and if he explains to the solicitor by telling him it is an issue of trust, as the judge thought he would be obliged to do, the solicitor is placed in the position of asking counsel to defend a man whom he knows to be guilty. It appeared to the judge that, under such circumstances, a solicitor would not be acting properly in allowing counsel to conduct a case without giving him the knowledge which he himself possesses. It would place both counsel and solicitor in an extremely invidious position if counsel used arguments or made suggestions which were in conflict with the known facts.

The adversarial system used in the administration of criminal justice should be altered to empower judges to seek out the truth while at the same time protecting the accused's interests. This would be greatly enhanced if magistrates or judges presiding at defended criminal hearings had some coercive powers similar to those of a royal commissioner,

with the object being to get to the truth of the matter and to enable them to perform more of an inquisitorial role as opposed to an administrative or quasi-administrative role.

That would also be greatly enhanced by the modification, where appropriate, of the right to silence - as it is commonly known - while at the same time retaining the criminal burden of proof and also the criminal standard of proof.

In his book *Examination of Witnesses in Criminal Trials*, Earl J. Levy QC summarises the role of a judge in a criminal trial as very demanding, sometimes requiring a delicate balancing of the interests that he is required to protect. The judge presides over the trial and is responsible for ensuring that it is conducted in seemingly an orderly manner according to the rules of procedure governing the conduct of criminal trials and that only admissible evidence is produced. A criminal trial is, in the main, an adversarial process, not an investigation by the judge of the charge against the accused and, accordingly, the examination and cross-examination of witnesses are primarily the responsibility of counsel.

I took the opportunity on the weekend to read a very interesting book, Evan Whitton's *The Cartel - Lawyers and Their Nine Magic Tricks*, which has been on the market for a couple of weeks. It touches upon problems arising from adopting or continuing to use an adversarial format in our criminal system and states that crime is estimated to cost a small country like Australia \$13b a year. He further points out that what is laughingly called the "criminal justice system" costs taxpayers \$6b, and most of it is wasted if 80 percent of the known guilty in medium to serious cases get off and only 1 per cent of those in prison are innocent. He states that that is not justice or anything like it. A French trial costs one-third to half that of a common law trial and takes off the street 90 per cent of the known guilty in medium to serious cases and much less frequently convicts an innocent person. He makes the point that ordinary citizens would also find it a lot cheaper if a judge did the fact gathering with a couple of lawyers watching to ensure that he did it correctly rather than having a clutch of lawyers doing the fact gathering and a judge passively wondering what they would produce.

It is all very well and good to speak of the need to ensure that our children are properly conditioned and socialised in society so as to enable them to grow up to be responsible adults and citizens. It is also all very well and good to ensure that the police have the appropriate powers to enable them to conduct criminal investigations properly and thoroughly in the search for evidence. It is all very well and good to make the clear association between illicit drug use and crime, to beef up penalties, to have a policy of truth in sentencing and to apply appropriate measures when applying the deterrent and rehabilitative models of sentencing.

However, these important aspects of our criminal justice system will have very little effect or impact on reducing crime unless we ensure that truth is the primary objective of the system, that the protection of the broad community is its ultimate goal and that, for truly guilty people, the certainty of a conviction is a reality.

Ms MacTiernan: When you were a practising defence lawyer did you hold this view of the evils of the adversarial system, or is this a newly found faith?

Mr BAKER: We have been down this road before. At times I thought perhaps the system could be improved. As the member appreciates, in those days I was wearing a different hat, as was she.

Ms MacTiernan: I was not a defence lawyer.

Mr BAKER: I thought she was. I was wearing a different hat and we now have a different perspective. In my current position I have a primary duty to my electorate and constituents. I now look at the world from a different perspective.

Ms MacTiernan: Do you support Evan Whitton's essential thesis that we should move away from the adversarial system?

Mr BAKER: The issue is the extent to which we should move away. Perhaps judges could have far more coercive powers than they currently have. In certain circumstances they cannot ask questions and make suggestions that someone be called or question why a witness has not been called. It is a matter of what flows from that.

Ms MacTiernan: I support that.

Mr BAKER: I thank the member.

I draw the attention of the House to a book written by another former Queensland Supreme Court judge - Judge G.W. Williams - entitled *Harrison's Law and Conduct of the Legal Profession*. He deals with the role of the law and lawyers in society and points out that it is suggested the lawyer should keep in mind that the law is the mainstay of the State. It is the order and security provided by the State that makes possible all that is best and highest in our

civilisation. He states that even those who fare worst in our existing social order enjoy a security the value of which can be fully appreciated only when we compare it with the lot of those whose misfortune it was to live in periods of collapsing social order. He points out that if we admit a right of private judgment in the matter of law observance, we deny the authority of the law and run the risk, ultimately, of a general relapse into lawlessness, and only the most weighty grounds can justify the running of that risk.

Those who believe that the existing social order, together with the State and the laws that support it, are so bad that they must be destroyed and replaced may be prepared to run that risk. However, he suggests that any dissatisfaction that falls short of that will not justify a departure from strict adherence to existing law. If anyone wants to maintain the social order substantially as it is, or has no plan for an alternative order, he cannot afford to pick and choose which laws he will support. He must take the bad with the good.

When we discuss the law and order issue we should not look at separate aspects. We should look at the whole process to establish whether we can restructure it so that the object of the criminal trial is to seek out truth and to ensure that the community's interests are protected.

**MR CARPENTER** (Willagee) [11.10 pm]: I will address a few remarks to one of my shadow portfolio areas, Sport and Recreation, and in particular the matter of athletics, which I know is a subject close to your heart, Mr Speaker. Had you not been in the Chair I would have spoken on some other subject, but to keep us both interested I will talk about something of mutual interest.

I went to Perry Lakes Stadium at lunch time today, where you, Mr Speaker, and I have enjoyed the odd lunch. I walked around at the invitation of some people in the athletics fraternity in Western Australia, with a view to looking at the facility and the conditions under which the athletes train in Western Australia. I had already been directed to pay particular attention to some of the signage around the stadium. The sign of most relevance to me was the caution sign erected by the Town of Cambridge. In various parts of the stadium are large signs reading as follows -

**CAUTION**

The condition of a certain section of the running track may not be suitable for competition.

Prior to competing, please check condition of track.

The Town of Cambridge will not be responsible for any injury that may occur as a result of the condition of the track.

Graham Partridge  
CEO  
Town of Cambridge

Signage of that nature is noteworthy because of the forthcoming Olympic Games in Sydney. They will provide Australian athletics, in track and field and sport in general, with an opportunity to showcase its talents and facilities to the rest of the world, and to demonstrate the kinds of facilities provided to athletes who are aspiring to that ultimate athletic high, to compete at the Olympic Games. As part of the build-up to the Sydney Olympic Games, all State Governments are doing their best to attract international athletes to their venues for training purposes and as a base for their athletic teams. Perth is no exception.

The Western Australian Government has commendably set up an organisation - Sport International WA - whose specific purpose is to attract international athletics teams to base themselves in Perth as their training venue in the run-up to the Olympic Games in Sydney in 2000. Part of the perceived benefit is the economic return to the State from athletics teams and individuals from other nations using Western Australian facilities, and perhaps spreading the reputation of Western Australia and Perth as a desirable venue for athletes around the nation.

The problem is that, as things stand at the moment for athletics in track and field, as opposed to swimming, the facility is not up to the required standard. The athletics community in Western Australia is making it known in subtle ways, through people such as me, that something needs to be done quickly to bring the facility up to the required standard. At the moment the athletics fraternity is based principally at Perry Lakes, which, I am assured by those who know about the comparative facilities in Australia, is potentially the best athletics facility in Australia by a long way. The only problem is that the standard of the track is among the worst.

The facility was established for the 1962 Empire Games and is now generally regarded as an extravagance and a white elephant, in that it is far too large for modern-day purposes and the seating capacity, which is between 25 000 and 30 000, will never be taken up. The general view in the athletics and sporting fraternity is that Perry Lakes should be replaced by something else. There are two components to that view: The first is that Perry Lakes should go, and the second that it should be replaced.

In the past two years there has been a war of attrition between the Cambridge Town Council and the State Government. Neither of those bodies wants to provide the funds to maintain Perry Lakes at a standard sufficient for international athletics. Sadly, this large athletics facility has only two lanes which are of a sufficient standard for international training. Sport International WA, a state-sponsored organisation which has Tom Hoad as its CEO and includes people such as John Longley, is in the international arena trying to attract people to Western Australia. If those people are successful, some of the athletes who arrive will be mighty disappointed with the facility at Perry Lakes. I have visions of the modern-day Ben Johnsons being told they will be brought to a facility as a training base, and being confronted when leaving the changing rooms with a large white sign with red letters saying that they use the track at their own risk. There would be considerable disappointment among those athletes if they were confronted with that reality. If something is not done soon, that will confront people who are attracted to Western Australia as a training base.

I now digress to another area of sporting activity - swimming. In the 1980s the previous Government, with bilateral support, established the Challenge Stadium facility, the Western Australian Institute of Sport facility, and a swimming centre at the Challenge Stadium. It was opened around 1988, and it was immediately a key instrument in Western Australia's ability to attract the World Swimming Championships in 1991. I had the pleasure of speaking to Mike Wenden, a great Australian sprint swimmer from the 1968 Mexico Olympic Games, about the Perth aquatic facility and the World Swimming Championships. He informed me that before those championships in 1991, it was always seen as a third-rate event which none of the major international competing countries took seriously. However, once the Perth games had been staged so successfully, the event grew in stature and it is now considered a major event on the swimming calendar. So successful were the 1991 World Swimming Championships that Perth was successful in 1998 in holding its second World Swimming Championships at the Challenge Stadium venue.

The point I make is that the Government of the day, with broad community and cross-party support, made the decision to invest in the future of sport and swimming by creating the Western Australian Institute of Sport, the stadium and its facilities. The rewards have been reaped: Two World Swimming Championships have been held in Perth, there has been untold free publicity for Western Australia in the rest of the world, and young competing athletes in Western Australia have had something to aspire to and a chance to see the best swimmers in the world in their own backyard. The State Government slogan for many events is: The best on earth in Perth.

We would have great difficulty replicating that response in the world of athletics in track and field at the moment, because the quality of the facility that can be offered would not be good enough to attract the event. In 1996 when the State Government made its ill-fated and somewhat bizarre bid to hold the 2006 Commonwealth Games, the State, through the Premier and the Minister for Sport and Recreation, Norman Moore, committed Western Australia to expenditure of \$160m for the development of a major sporting facility at Belmont racecourse. Unfortunately, for various reasons, the bid was not successful and it was laughed off as a bad joke. Western Australia suffered some humiliation for the way the bid was handled.

The new sporting facility at Belmont never eventuated. In retrospect that may have been a good thing, but nothing has been proposed in its place. The State Government and the Minister for Sport and Recreation must seriously address the lack of an adequate facility at which Western Australia can hold a major international athletics event. A smaller scale facility is required. As I said, there is general agreement that Perry Lakes was a creation of the 1960s mentality and would not be an appropriate development for the 1990s and beyond because of its grandiose size.

Athletics WA, or as it is now known, Athletica, is an organisation headed up by, I think, former Australian high jump champion and Olympic high jump representative, Chilla Porter. He has been hoping to have developed an alternative facility in Western Australia. I think his organisation contracted a company called Canda Holdings to carry out a feasibility study on an alternative athletics facility in Western Australia. Canda Holdings and one of its principals, Mr Gianoli, have been the subject of some controversy already, into which I will not venture now.

The feasibility study that resulted from the work of Mr Gianoli and Canda Holdings makes some interesting propositions. Notably, it suggests an international standard track athletics facility be developed at Curtin University with a backup training facility at Edith Cowan University's Joondalup campus. Superficially at least it looks like an attractive proposition. According to Mr Gianoli's feasibility study, it would cost in the vicinity of \$10m which, in the overall cosmic scheme of things, is not a huge sum of money to spend on a facility of that nature.

The Curtin University of Technology is understood to be interested in supplying some of the funds and Edith Cowan University would probably be interested in supplying some of the funds. I understand they contributed towards the feasibility study. That might explain why they are the beneficiaries of the recommendations.

Some members of the athletics community are more interested in seeing a new facility developed adjacent to the Western Australian Institute of Sport and Challenge Stadium on land belonging to the University of Western Australia. It is perhaps one of the major shortcomings of the Gianoli study that that proposition was not taken

seriously. There is a degree of logic to having a sporting facility of that nature where the athletes are based at the Western Australian Institute of Sport where the sport science and gymnasium facilities provide an integrated facility. The amount of land there is adequate. It would be a matter of coming to an arrangement with the University of Western Australia which, for one reason or another, may be reluctant to come to the party. However, it has indicated that it might be more interested in seeing some sort of athletics facilities developed at McGillivray Sportsground, which is not far from the Western Australian Institute of Sport.

Mr Omodei: You did not say what you thought should happen to Perry Lakes.

Mr CARPENTER: That is true. The future of Perry Lakes is in a bit of a predicament because it is now under the control of the Cambridge Town Council, which I understand is not prepared to meet its ongoing maintenance costs which, by its nature and size, amount to a considerable sum. However, there is a suggestion that the State Government might contribute substantially to the cost of maintaining Perry Lakes, albeit reduced in size with the sale of some of the land surrounding the stadium. That arrangement would need to be negotiated with the Cambridge Town Council and the different sporting organisations which use the facility.

I did not want to go too far down that path because it introduces some other interesting strands, such as what would happen to the Western Australian Basketball Association if Perry Lakes were to close. It would then have to find another facility. It is concerned about where it would go. Although there is an argument for the retention of Perry Lakes, it seems to me that both the previous Government and this Government have decided that Perry Lakes has had its day and an alternative is required.

Whatever the chosen venue, I am suggesting that the Government should act with some urgency to have a facility developed of a sufficient standard for our own Western Australian athletes who aspire to represent their State and nation at Commonwealth and Olympic Games level. It must also attract to Western Australia the national grand prix and international standard events as well as international track and field teams as part of the precursor and training program to the Sydney Olympics, which will provide Australia with an opportunity it has never had before to develop its talent and facilities in track and field athletics.

As I said, according to the feasibility study done by Canda Holdings, the proposed overall cost of the Curtin University of Technology and Edith Cowan University facility is about \$10m. The best estimate for an upgrade of the existing athletics track at Perry Lakes is in the vicinity of \$1m to provide enough top class running tracks to allow a national and international team to use it for training and to allow our own athletes to train in more adequate surroundings than are available at the moment.

Last year at about budget time the Minister for Sport and Recreation made a statement that approximately \$80m was set aside in the budget forward estimates for the development of a major sports facility in Western Australia. This was said in the context of community debate about the provision of a sports stadium for rugby, soccer and perhaps athletics.

This year, after the budget was delivered, I asked questions in the Estimates Committee hearing about where I could be directed which might indicate that \$80m was set aside for the development of this facility. I was informed that no money was set aside in the forward estimates. However, the minister made a statement some time after that indicating that once a decision had been made about where a major new sporting facility in Western Australia should be located, the Government would be forthcoming with the money. Rather than delaying for an inordinate amount of time on a decision about expenditure of about \$80m, I suggest the Government expedite its decision-making process about the athletics facility on its own. It should decide where the athletics facility should be located and then spend the money. Although I urge the minister to bear in mind as interesting information the feasibility study done for Athletica by Canda Holdings, I ask that he cast his net a little wider because there are obvious shortcomings with that study which I have touched on in general terms already.

The fact is that until there is an international standard facility in Western Australia, we will never develop the athletes in quality and quantity, and have them based here, and we will struggle to attract events on the grand prix calendar in Australian athletics - that is a major development in Australian athletics - and also international meets. We will probably be forced to go through a repeat of the unfortunate experience of 1996, when we made a bid for a major international sporting event - I think it was the Commonwealth Games - and then argued about how we would find the money for the development of even a training facility and had no idea about where the facility would be located.

To round off, the Minister for Sport and Recreation should use his influence with the Premier and others in the Cabinet and urge them to make a decision quickly to have the facility built within the next 12 months. If it is not built by then, the Sydney Olympic Games will have come and gone and the benefits largely will have bypassed Western Australia, not only from a tourism and economic point of view, but also to develop a long-lasting and highly beneficial sporting facility for this State which could do for athletics and track and field in Western Australia what



the Challenge Stadium of the Western Australian Institute of Sport has done for swimming and aquatic sports - to provide a facility that international teams enjoy coming to and, to quote an oft-used cliché, which puts Western Australia on the map in that sporting endeavour. It would be very sad if in 12 to 18 months we discovered we had completely missed the opportunity which presents itself. It is a once-in-50-years opportunity for Australia and Western Australia to benefit from something like an Olympic Games. The Government would be most remiss if it let that opportunity slip.

Debate adjourned, on motion by Mr Cunningham.

*House adjourned at 11.33 pm*

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### QUESTIONS ON NOTICE

Answers to questions are as supplied by the relevant Minister's office.

#### EMERGENCY SERVICES

17. Mr GRAHAM to the Minister for Emergency Services:

- (1) Has the Minister established a body to deal with emergency services?
- (2) If the answer to (1) above is no, why not?
- (3) If the answer to (1) above is yes -
  - (a) which organisations are represented on the board of the new body;
  - (b) what is the method of appointing members to the board of the new body;
  - (c) under what legislation is the new body constituted; and
  - (d) how will the interests of volunteer fire fighters be protected by the board of the new body?

Mr PRINCE replied:

- (1) The Fire and Emergency Services of WA (FESA)
- (2) Not applicable. The *Fire & Emergency Services Authority of WA Bill* was introduced into the Legislative Assembly on 17 June 1998.
- (3) The proposed FESA Board will comprise a maximum of 10 members:
  - chairman
  - 3 chairmen of BFS, FRS & WASES Consultative Committees;
  - 3 persons representing volunteers of BFS, FRS and WASES;
  - 1 person representing Local Government Authorities;
  - FESA CEO;
  - (not more than) 1 other person.

Representative bodies for the three volunteer groups and local government will be asked to submit three nominations. In addition, expressions of interest will be called for the remaining positions.

#### FIRE AND EMERGENCY SERVICES AUTHORITY

19. Mr RIPPER to the Minister for Emergency Services:

What will be the funding arrangements for the proposed Fire and Emergency Services Authority?

Mr PRINCE replied:

Funding arrangements for the Fire & Emergency Services Authority which will comprise the Fire & Rescue Service, State Emergency Service and Bush Fire Service will remain unchanged, however will be subject to ongoing review.

#### POLICE, HANDCUFF GUIDELINES

21. Mrs ROBERTS to the Minister for Police:

- (1) Has the Commissioner of Police published any guidelines for officers on the use of handcuffs emphasising that they should only be used for the minimum time necessary?
- (2) If so, will the Minister provide me with a copy?
- (3) If not, why not?

Mr PRINCE replied:

- (1) Yes.
- (2) The guidelines are included in the Commissioner's Orders and Procedures (COPS) Manual. Reference OP-17.1.1 "Use of handcuffs". Access to the COPS Manual can be obtained from the Parliamentary Library.
- (3) Not applicable.

RESTRAINING ORDER

*Mrs Portelli*

27. Mrs ROBERTS to the Minister for Police:

- (1) Did you or the Police Commissioner receive correspondence from Mrs Portelli of East Fremantle regarding the lack of police resources and the delay in serving a restraining order?
- (2) If so, what action is being taken to rectify the matters outlined by Mrs Portelli?

Mr PRINCE replied:

- (1) Yes.
- (2) The matters raised in Mrs Portelli's correspondence are being investigated. A copy of Mrs Portelli's faxed correspondence dated 26 March 1998 was forwarded to the Office of the Minister for Police by the Attorney General, Chief of Staff with a covering memo dated August 10, 1998 requesting a direct reply to Mrs Portelli. This request was received by the Office of Minister for Police on August 12, 1998 and forwarded to the Western Australia Police Service for preparation of a draft reply to be completed by September 2, 1998. The WA Police Service received the correspondence on August 13, 1998 and have commenced inquiries.

POLICE

*Mr A. Edney*

28. Mrs ROBERTS to the Minister for Police:

- (1) Will the Minister set up an inquiry into the matters raised by Mr A Edney of Cannington in his correspondence dated 16 January 1998?
- (2) If not, why not?
- (3) Has the Minister responded to Mr Edney's letter?
- (4) If not, why not?

Mr PRINCE replied:

- (1)-(2) No. Those issues referred to in the correspondence of Mr Edney, and which are the responsibility of the Western Australia Police Service, have been attended to. Existing bodies both within and external to the Police Service are considered sufficient to effectively investigate any allegations of criminality or corruption. This Government is of the view that a combination of an appropriate reform of police practices and management, in conjunction with the oversighting responsibilities of the Anti-Corruption Commission, is the most effective method of combatting and minimising corruption in the Police Service. This reform process will, in both the long and short term, advance the public interest.
- (3) Yes.
- (4) Not applicable.

POLICE RESPONSE TIME

29. Mrs ROBERTS to the Minister for Police:

- (1) Did you receive a letter from Mr Ronald G Nugent of Padbury regarding the delays in police response time?
- (2) Why was Mr Nugent's call to the police on the morning of Sunday, 22 March 1998 not answered?
- (3) Why was Mr Nugent's call to police on the afternoon of Sunday, 22 March 1998 not answered?
- (4) Why was Mr Nugent placed on hold for over 5 minutes on Tuesday, 24 March 1998 only to be advised to call again later in the day?
- (5) Why was Mr Nugent placed on hold again later in the afternoon of Tuesday, 24 March 1998 before having his complaint taken?
- (6) Are the police under resourced?
- (7) Do you intend addressing this typical situation, and if so, how?

Mr PRINCE replied:

- (1) Yes, a letter from Mr Nugent was received at the office of the Minister for Police on March 30, 1998. It was forwarded to the Western Australia Police Service for advice. On April 7, 1998, it was received at Joondalup District Police Office. Mr Nugent expressed his concerns at the lack of policing services in his suburb of Padbury, in particular he alleges that over the "last few months" on two occasions his letter box had been destroyed. There is no previous record of these incidents of damage reported to police. The incidents as now reported by Mr Nugent are subject of inquiry and he will be advised of the result of those inquiries in due course.
- (2)-(3) Mr Nugent's claim that he endeavoured to contact police cannot be confirmed. He stated that he rang police utilising the 131 444 number. Technical advice suggests that the only reason the call would not be answered would be the volume of telephone traffic to the nearest police station (Warwick). On the morning of Sunday March 22, 1998, there were four officers rostered on administration duties at the station.
- (4)-(5) Mr Nugent's claim that he called police cannot be confirmed. Unfortunately there is no record of his telephone complaint being received.
- (6) On Sunday, March 22 1998, a total number of 30 police officers were rostered for duty at Warwick Police Station. On Tuesday, March 24 1998, a total number of 41 police officers were rostered for duty at Warwick Police Station.
- (7) The Joondalup Police District is sufficiently resourced to adequately provide services. Additionally, on March 30, 1998 the new Hillary's Police Station opened. A part of their police sub-District includes the suburb of Padbury.

#### COMMITTEES AND BOARDS

##### *Payments for Members*

33. Ms WARNOCK to the Minister for Women's Interests:

- (1) What Boards, Committees or the like in each portfolio under the Minister's control provide a sitting fee, or other payment, to Board or Committee members?
- (2) What is the name of each Board and Committee?
- (3) What are the names of the members of each Board or Committee?
- (4) How much is each member of the Board or Committee paid for their services?

Mrs PARKER replied:

(1)-(4) Family and Children's Services

The Family and Children's Services Advisory Council:

Mrs Ruth Reid  
 Mr Brian Gordon  
 Mr John Barich  
 Mr Chris Hall\*  
 Mrs Kathleen Moore\*  
 Mrs Tracey Gosling  
 Dr Judy Macdonald  
 Mr Sven Silburn  
 Mr Mike Mulroy  
 Ms Pippa Warburton  
 Ms Robyn McSweeney  
 Ms Mary-Louise Allen

\*Denotes members who are in government employ and not paid sitting fees.

Non-government members are eligible to claim sitting fees of \$196.00 per day; or \$130.00 per half day (chairperson) and \$131.00 per day or \$86.00 per half day (members).

The Western Australian Child Protection Council :

Ms Rae Walter  
 Mr Bill Budiselik\*  
 Det Sgt Michael Miller\*  
 Dr Bill Macdonald\*  
 Mr Rob Holmes\*  
 Mr Tim Schwass

Ms Cath Callow  
Mr Mel Fialho  
Ms Sue Allen  
Mr David Roberts  
Dr Pauline Meemeduma

\*Denotes members who are in government employ and not paid sitting fees.  
Non-government members are eligible to claim sitting fees of \$196.00 per day; or \$130.00 per half day (chairperson) and \$131.00 per day or \$86.00 per half day (members).

Supported Accommodation Assistance Program - State Advisory Committee :

Ms Anne Griffith  
Sister Jane Ablett  
Ms Gabrielle Whiteley  
Ms Daphne Smith  
Ms Lorraine Hams\*  
Major Laurie Venables  
Ms Jessie Healey  
Mr Basil Lambert  
Ms Diann Pell  
Mr John Rowe  
Ms Helen Miskell\*

\*Denotes members who are in government employ and not paid sitting fees.

Non-government members are eligible to claim sitting fees of \$186.00 (chairperson) per half day \$86.00 (members) per half day.

Office of Seniors Interests

Seniors Ministerial Advisory Committee:

Mr Barry Roy Blaikie JP  
Dr Peter Brine AM  
Mr Brian French  
Miss Beryl Grant OBE  
Mr Norm Harris  
Ms Anna Harrison  
Mrs Bettine Heathcote  
Mrs Joy Jeffes  
Mrs Betty Mazzarol  
Mr Keith Mitchell  
Mr Peter Norris  
Mr Len Vickridge OBE, VRD

All members are eligible to claim sitting fees of \$108.00 full day, \$73.00 half day. Economy airfare is paid for country members and a mileage allowance is paid if the member is living outside the metropolitan area (in accordance with Government policy).

Women's Policy Development Office

Women's Advisory Council:

Professor Leonie Still\*  
Ms Astrid Norgard\*  
Ms Lally Butt  
Ms Julie-Ann Harper  
Mrs Lynne Johnston  
Mrs Robyn McSweeney  
Mrs Barbara Johnson  
Ms Lois Gatley  
Ms Jessica May  
Ms Maria Saraceni  
Mrs Josephine Niikkula  
Ms Janet Douglas  
Mrs Deborah Rice  
Ms Kylie Weatherall  
Mrs Jennifer Mitchell  
Ms Dianne Hardwick  
Ms Odette Haley  
Mrs Judith Snell  
Ms Heather Walford

\*Denotes members who are in government employ and not paid sitting fees.

Non-government members are eligible to claim sitting fees of \$186.00 per day and \$123.00 per half day.

## Centenary of Women's Suffrage Committee:

Ms Astrid Norgard\*  
 Ms Jenni Ballantyne  
 Professor David Black\*  
 Dr Patricia Giles  
 Mrs Kath Finlayson  
 Ms Sandra Jamieson  
 Her Honour Judge Antoinette Kennedy\*  
 Ms Margaret McAleer  
 Ms Margaret Nadebaum  
 Mrs Ruth Reid  
 Professor Leonie Still\*  
 Ms Gina Williams  
 Mrs Kath White\*  
 Ms Wendy Ryan

\*Denotes members who are in government employ and not paid sitting fees.

Non-government members are eligible to claim sitting fees of \$186.00 per day and \$123.00 per half day.

## Domestic Violence Campaign Advisory Committee:

Ms Carole Kagi\*  
 Dr Rob Donovan  
 Ms Donna Paterson\*  
 Ms Lucy Henry  
 Ms Shirley Frizzell  
 Ms Jane Machin-Everill\*

\*Denotes members who are in government employ and not paid sitting fees.

Non-government members are eligible to claim sitting fees of \$186.00 per day and \$123.00 per half day.

WA Drug Abuse Strategy Office: Not applicable.

## BUSHFIRES BOARD

*Development Course Costs*

39. Mr CARPENTER to the Minister for Emergency Services:

Will the Minister provide a breakdown of the total cost of \$7,000 for M. Cronstedt from the Bushfires Board to attend a development course in Sydney from 7 April to 24 April, 1997?

Mr PRINCE replied:

Mr Cronstedt was successful in being selected to attend an Australian Fire Authorities Council Executive Development Program which commenced in February 1997 and finished in August 1997. The cost of the three week residential course from 7 April to 24 April, was included in the overall cost of the program of \$5,750. The airfare to attend the residential component was \$1,322.

## STATE FINANCE

*Taxes and Charges*

46. Dr GALLOP to the Deputy Premier; Minister for Commerce and Trade; Regional Development; Small Business:

In relation to all the portfolio areas for which the Deputy Premier has responsibility -

- (a) what fees and charges have been increased in the context of the 1998/99 Budget and the announcements made immediately prior to the Budget;
- (b) what is the rate of increase for each of these in dollar and percentage terms;
- (c) what is the estimated total additional revenue each of these increases is expected to raise;
- (d) are there any other increases in fees and charges proposed for the financial year 1998/99; and
- (e) if so, what are the details of these other increases?

Mr COWAN replied:

- (a) Nil.
- (b)-(c) Not applicable.

## STATE FINANCE

*Taxes and Charges*

56. Dr GALLOP to the Minister representing the Minister for Finance:

In relation to all the portfolio areas for which the Minister has responsibility -

- (a) what fees and charges have been increased in the context of the 1998/99 Budget and the announcements made immediately prior to the Budget;
- (b) what is the rate of increase for each of these in dollar and percentage terms;
- (c) what is the estimated total additional revenue each of these increases is expected to raise;
- (d) are there any other increases in fees and charges proposed for the financial year 1998/99; and
- (e) if so, what are the details of these other increases?

Mr COURT replied:

The Minister for Finance has provided the following response:

State Revenue Department

Government Employees Superannuation Board

- (a) None.
- (b)-(c) Not applicable.
- (d) No.
- (e) Not applicable.

Valuer General's Office

- (a) Increases in the charges for 1998/99 have included the Rating and Taxing program - Gross Rental Values and Unimproved Values; and the Other Valuations program such as Market Values.
- (b) Some Gross Rental Value charges have increased between 0.75c to \$2.00 per value, equating to a percentage increase of 2.4% to 8%.  
  
Some Unimproved Value charges have increased between 0.20c to \$10.00 per value, equating to a percentage increase of 5.3% to 40%.  
  
Some Other Valuation charges have increased between \$2.00 to \$27.00 per value, equating to a percentage increase of 2.4% to 74%.
- (c) Estimated additional revenue expected to be raised as a result of the increase in fees and charges:
 

Gross Rental Values	-	\$58,000
Unimproved Values	-	\$49,000
Other Valuations	-	\$18,000
- (d) No.
- (e) Not applicable.

Insurance Commission of Western Australia

- (a) The Third Party Insurance Fund's premium pool has been increased by 10% to meet escalating claims costs. Increases have been addressed to ensure the imbalance between vehicle classes reflects the claims expenses attributable to that class. This reduces the cross subsidisation of classes that has previously existed.
- (b) A schedule of Third Party Premium requirements which clearly shows the adjustments in dollars and percentage is attached for your reference. [See paper No 91.]
- (c) Gross written premium revenue is estimated to increase by \$35 million for 1998/99.
- (d) No further increases are proposed for financial year 1998/99.
- (e) Not applicable.

## STATE FINANCE

*Taxes and Charges*

60. Dr GALLOP to the Minister for Police; Emergency Services:

In relation to all the portfolio areas for which the Minister has responsibility -

- (a) what fees and charges have been increased in the context of the 1998/99 Budget and the announcements made immediately prior to the Budget;
- (b) what is the rate of increase for each of these in dollar and percentage terms;
- (c) what is the estimated total additional revenue each of these increases is expected to raise;
- (d) are there any other increases in fees and charges proposed for the financial year 1998/99; and
- (e) if so, what are the details of these other increases?

Mr PRINCE replied:

## WA POLICE SERVICE

The Police Service conducted a major review of all Fees and Charges for the 1998/99 financial year. One of the outcomes of the review was to introduce the concept of application fees for police licensing functions to move towards *User Pays* in recouping full costs. This allows for a fairer distribution of the costs involved in assessing and issuing new licenses as opposed to renewals. (Substantially more work is involved in issuing, as opposed to renewing, a license. Full user pay cost recovery has not been applied for 1998/99, as the increase in fees would have been unacceptable). Further, it should be noted that because of the above, the items responsible for the most revenue generation from fees (individual firearm license and most associated firearm license renewals) have remained unchanged.

## FIRE &amp; EMERGENCY SERVICES

- (a) Nil.
- (b)-(c) Not applicable.
- (d) Yes - Direct Brigade Alarm system upgrade costs.
- (e) The upgrade of the Direct Brigade Alarm facility is to be funded by a one off charge of \$1350 on a user pays basis. Annual service fees will not be increased.

## PERTH RAILWAY STATION

*Boundaries of Jurisdiction*

75. Mr BROWN to the Minister for Police:

- (1) Is the Minister aware there has been some confusion between the Police and Westrail special constables regarding their respective areas of jurisdiction in the precincts of and the area around the Perth Railway Station?
- (2) Can the Minister confirm that problems have been created by the apparent "boundaries of jurisdiction" in and around the Perth Railway Station?
- (3) Has the Minister and/or the Police Service examined the degree to which members of the public may be placed at risk by offenders moving between such boundaries?

Mr PRINCE replied:

- (1)-(3) No. The Police Service and the Westrail Patrol Manager advise there is no confusion between the Police and Westrail Special Constables in respect to their areas of jurisdiction. Police have the legal authority to enforce all State Laws on railway property, including any offence committed against the Government Railways Act. Westrail Special Constables have jurisdiction on all Government Railways property including the concourse above the Perth Railway Station and on walkways and accessways to the Perth Railway Station in accordance with Section 19 of the Forrest Place and City Station Development Act 1995.



## FREEDOM OF INFORMATION APPLICATION

*Document by Natalie Woods*

92. Ms MacTIERNAN to the Minister for Police:

In response to a Freedom of Information (FOI) application, the Police Commissioner issued a handwritten document seemingly prepared by Natalie Woods. I refer to pages 22 to 24 of the material released under FOI -

- (a) when was this statement made;
- (b) to whom was it made;
- (c) does a typed record of this document exist;
- (d) will the Minister confirm whether it was made by Natalie Woods; and
- (e) will the Minister now table those documents and records?

Mr PRINCE replied:

- (a)-(e) All information on the file has been provided under Freedom of Information Application dated 28 January 1998, including investigators notes, references pages 22-24, which could have been exempted under Schedule 1, Clause 5(1)(b) of the *Freedom of Information Act*.

## POLICE

*Reduction in Funding*

98. Mrs ROBERTS to the Minister for Police:

How is the reduction in Total Consolidated Fund Appropriation from 1997-98 of \$413 141 000 to 1998-99 of \$405 876 000 justified?

Mr PRINCE replied:

The figures quoted are not directly comparable in their current format. The figure of \$413.141m represents the 1997/98 *Estimated Actual Expenditure* by the Police Service at the time of preparation of the Budget Estimates. This includes supplementary funding of \$14.476m for items not included in the 1997/98 budget allocation estimate of \$399.965m, including the Unexploded Ordnance Branch funding allocation of \$1.3m. Major items of supplementary funding are:

	\$000
Revenue Offset	
Gun Control Program	7,985
Recruit Traineeship Program	1,229
Office of Road Safety	2,148
Other approvals	
Compensation and Act of Grace payment	805
Anti Drug Strategy	752
Land sale costs	353

The figure of \$405.876m represents the 1998/99 Budget Estimate for the Police Service. This excludes funding able to be derived by the Police Service from the revenue Retention policy, which equates to \$8.731m in additional funding should projected revenue collections be achieved. In essence and assuming projected revenue collections are achieved, the Police Service will have total available funding in 1998/99 of \$414.607m. For this agency, comparisons between financial years should be based on allocations, which shows the Police Service receiving an additional \$14.6m in 1998/99.

## KATANNING POLICE STATION UPGRADING

112. Dr GALLOP to the Minister for Police:

- (1) Will the Katanning Police Station be upgraded to provide a 24 hour service?
- (2) If yes, when will this upgrade take place?
- (3) If not, why not?

Mr PRINCE replied:

- (1) No.
- (2) Not applicable.
- (3) Not an identified need. Katanning Police Station is manned during shifts:

Monday to Wednesday	0800 hours to 0200 hours.
Thursday to Saturday	0800 hours to 0400 hours.
Sunday	0800 hours to 2300 hours.

After these hours the Officer in Charge is contactable to attend any incident requiring police attendance.

## NATIONAL HERITAGE TRUST FUNDING

118. Dr EDWARDS to the Deputy Premier:

- (1) What funding has been received by Western Australia through the National Heritage Trust (NHT) from its inception to date?
- (2) How much was received in each round of applications?
- (3) What amounts went to government agencies in each funding round?
- (4) Has the NHT partnership agreement been altered since July 1997?
- (5) If so, in what way?
- (6) If no, are changes proposed to the partnership agreement and what is the nature of those proposed?

Mr COWAN replied:

- (1) \$26 434 821 has been approved by the Commonwealth for new and continuing projects for 1997-98. An additional \$ 3 491 205 is also expected for new projects for 1997-98. A total of \$29 926 026 is expected to be received.
- (2) \$26 434 821 with \$3 491 205 to come. There is one round of applications through the NHT one-stop-shop funding.
- (3) \$6 941 556 for new projects. \$5 705 502 for continuing projects.
- (4) No.
- (5) Not applicable.
- (6) No.

## POLICE

*ACC Report on Six Drug Squad Officers*

122. Mrs ROBERTS to the Minister for Police:

- (1) Did the Police Commissioner receive the report of the Anti Corruption Commission (ACC) Special Investigation regarding the six drug squad officers last year?
- (2) If not, exactly what did the Police Commissioner receive from the ACC last year with respect to the six drug squad officers before he moved to suspend the officers?
- (3) Has the Police Commissioner now received the report of the ACC Special Investigation regarding the six drug squad officers?

- (4) If so, on what date was the report received by the Police Commissioner?

Mr PRINCE replied:

- (1) Yes.
- (2) Not applicable.
- (3) Yes.
- (4) The Commissioner received the ACC Special Investigator's reports, relating to each officer, on 13 May 1998. The reports were returned to the ACC for minor corrections and supply of additional material. Commissioner Falconer again received the reports and further material on 15 June 1998.

#### MILLENNIUM BUG

138. Ms McHALE to the Deputy Premier; Minister for Commerce and Trade; Regional Development; Small Business:

- (1) Is the "Millennium Bug" computer problem an issue for any of the departments or agencies under the Deputy Premier's control?
- (2) If so, when will those departments or agencies have installed and tested all Year 2000 corrections?
- (3) What have been the total funds expended to date to correct the "Bug"?
- (4) What is the total cost estimated to be to install all corrective measures?
- (5) Do those departments or agencies intend to engage external resources to manage the process?

Mr COWAN replied:

Department of Commerce and Trade

- (1) The potential for problems for computer systems caused by the change of date to the Year 2000, commonly known as the "Millennium Bug", is an important issue for all Government departments as it is for business, industry and the community. This issue has been addressed internally by the Department of Commerce and Trade through an assessment of the potential impact of the "Millennium Bug" on the business processes of the Department. A plan has been developed to address the potential business impacts identified and implementation of the plan has commenced.
- (2) 31 December 1998 is the planned date for achieving Year 2000 date compliance for all the computer applications and systems which are critical to the business of the department. Other Year 2000 Compliance Project activities will continue into mid 1999. These are aimed at minimising the business risks to the department from Year 2000 date problems affecting other organisations which have business transactions with the department.
- (3) Expenditure of \$35 000 in 1997/98 financial year, plus the allocation of internal staff resources of 0.5 FTE.
- (4) Estimated total expenditure of \$200 000 on the internal departmental Year 2000 Compliance Project plus the allocation of internal staff resources estimated at up to 4.5 FTE.
- (5) The department has purchased a Year 2000 management package, including a methodology and some software from a local company and has used external training resources provided by a local company to enable dedicated internal resources to manage the Year 2000 compliance process. It is planned to supplement internal resources by seeking external assistance, as required, for computer systems and software testing and remediation activities.

Small Business Development Corporation

- (1) Yes.
- (2) All Year 2000 issues will be corrected by 31 December 1998.
- (3) Total funds expended to date \$1 934.
- (4) Estimated total funds for corrective measures \$65 000.
- (5) No. However external sources will be used to implement corrective measures.

## Perth International Centre for Application of Solar Energy

- (1) Yes.
- (2) A testing program is in progress and it is expected all upgrades will be completed by December 1998.
- (3) Nil.
- (4) Corrective measures, including old equipment replacement, testing program, software and hardware modifications, have a budget allocation of \$20 000 for the 1998-99 financial year.
- (5) An external firm is coordinating the testing program and will make recommendations concerning equipment and software modifications.

## Gascoyne Development Commission

- (1) Yes.
- (2) By 30 June 1999.
- (3) \$2 000.
- (4) \$2 000.
- (5) No.

## Goldfields Esperance Development Commission

- (1) Yes. However, the Goldfields Esperance Development Commission is fully aware of the problem and has addressed the issue.
- (2) The Commission has tested all equipment likely to be affected by the problem and has obtained written declarations from relevant suppliers.
- (3) The Commission has recently replaced its entire computer system at a cost of \$28 000. The new system is Year 2000 compliant.
- (4) \$28 000.
- (5) No.

## Great Southern Development Commission

- (1) Yes.
- (2) The Great Southern Development Commission engaged a consultant to eradicate any potential Year 2000 problems in the databases and all computer equipment is Year 2000 compliant. New equipment will replace old computers by 30 June 1998.
- (3) Approximately \$2 000 has been spent on Year 2000 corrections by the Great Southern Development Commission. New equipment to be installed by 30 June 1998 is worth approximately \$28 000.
- (4) \$30 000.
- (5) External resources were engaged to manage this process by the Great Southern Development Commission.

## Kimberley Development Commission

- (1) Yes. The Commission has developed a Year 2000 risk management strategy.
- (2) The Commission's Year 2000 management strategy has an objective to achieve Year 2000 compliance by 31 December 1998.
- (3) Funds expended to date comprise consultancy commitment (no payment as yet; total commitment \$5 500) plus limited staff resources (approximately \$1 000).
- (4) The total cost of the implementation of the management strategy is estimated at \$7 500 comprising consultancy fees of approximately \$5 500 and staff resources of approximately \$2 000.
- (5) The Commission has engaged an expert consultant (Coopers & Lybrand) to conduct a thorough assessment of the risks associated with the Commission's computers, embedded chips and supply chains.

Mid West Development Commission

- (1) Yes.
- (2) 31 December 1998.
- (3) Nil funds have been expended. Human resources have been used. These resources have been met from within the existing budget of the Commission.
- (4) Nil, apart from internal staff time.
- (5) No.

Peel Development Commission

- (1) Yes.
- (2) This has been done by a computer consultant who has tested the system and produced a report certifying that the system is Year 2000 compliant. Any issues he identified have been followed up and dealt with.
- (3) \$445 plus staff time.
- (4) No further expenditure is required.
- (5) The Commission engaged a systems analyst to investigate exposure to the Year 2000 problem.

Pilbara Development Commission

- (1) Yes.
- (2) By the end of 1998.
- (3) \$3 250.
- (4) \$5 000.
- (5) External advice has been sought and implementation will be managed by Pilbara Development Commission staff.

South West Development Commission

- (1) Yes.
- (2) By mid 1999.
- (3) \$1 150 for attendance at the Millennium Bug seminar and a consultant to test all the computers.
- (4) The total cost will be no more than \$2 000.
- (5) No. An external consultant has already tested computer systems and highlighted minor issues to be addressed.

Wheatbelt Development Commission

- (1) Yes.
- (2) By the end of June 1998.
- (3) Total funds expended so far have been limited to officers' time. This has been approximately costed at \$600.
- (4) It is estimated that the total cost to ensure compliance, excluding the normal capital equipment replacement program, will be approximately \$3 000.
- (5) No.

MILLENNIUM BUG

147. Ms McHALE to the Minister representing the Minister for Finance:

- (1) Is the "Millennium Bug" computer problem an issue for any of the departments or agencies under the Minister's control?

- (2) If so, when will those departments or agencies have installed and tested all Year 2000 corrections?
- (3) What have been the total funds expended to date to correct the "Bug"?
- (4) What is the total cost estimated to be to install all corrective measures?
- (5) Do those departments or agencies intend to engage external resources to manage the process?

Mr COURT replied:

The Minister for Finance has provided the following response:

State Revenue Department

- (1) Yes.
- (2) Before the Year 2000.
- (3) Directly \$10,000 and indirectly about \$10.5 million over the past five years in the redevelopment of all taxing systems.
- (4) Directly, approximately \$100,000 and indirectly approximately \$13.5 million in the redevelopment of all taxing systems.
- (5) No.

Valuer General's Office

- (1) Yes. The Valuer General's Office's mainframe system was identified in 1993 as not being able to manage the year 2000 date.
- (2) The redevelopment project is in progress and will be completed and tested by March 1999, whereby the total compliance issue will be resolved. Monitoring of the system will be from March 1999 and will be continued into the year 2000.
- (3) The redevelopment project which is in progress addresses not only the year 2000 issues, but also a number of other issues that required development of a new valuation system as the current system reached its maximum capability. The total cost of this project to date is \$3.35 million, which was commenced in 1995/96.
- (4) The total cost of the redevelopment project is \$4.55 million.
- (5) Yes. External project management and specific Information Technology expertise is being engaged as necessary.

Government Employees Superannuation Board

- (1) The problem has been recognised as an issue.
- (2) Both installation and testing of Year 2000 corrections are scheduled for completion by 30 June 1999.
- (3) As at 31 July 1998 expenditure was \$210,000.
- (4) Total costs (internal and external) are estimated to be around \$1.67 million.
- (5) Work on the Year 2000 project is already managed and undertaken by external contract staff.

Insurance Commission of Western Australia

- (1) Yes. The Year 2000 problem was established as a priority Board/Management issue in March 1997. The Insurance Commission's Information Technology Year 2000 Project commenced in August 1997 and was completed in April 1998. The non-Information Technology project commenced in July 1997 and an Action Plan was completed in April 1998. The Insurance Commission's most critical exposure is with the Department of Transport's Licensing system in regard to the collection of Motor Vehicle Third Party revenue. The Department of Transport have advised the Insurance Commission this system will be Year 2000 tested in two stages; the first to be completed in August 1998 and the second to be completed by February 1999.
- (2) Testing of the Insurance Commissions's Mainframe and Local Area Network systems was completed in April 1998 with a very low number of minor problems encountered. An Action Plan has also been

developed outlining what initiatives are to be taken in order to achieve Year 2000 compliance for non-information technology related items. The testing for these items will be completed by 30 June 1999 where practical.

- (3) \$225,400.
- (4) \$293,400.
- (5) Yes. A tender for Year 2000 business methodologies was called in June 1997 from Coopers & Lybrand, Ernst & Young and Price Waterhouse. Coopers & Lybrand were appointed. Fundi Software Services Pty Ltd have assisted with the review of the Mainframe and Local Area Network environments.

#### MILLENNIUM BUG

151. Ms McHALE to the Minister for Police; Emergency Services:

- (1) Is the "Millennium Bug" computer problem an issue for any of the departments or agencies under the Minister's control?
- (2) If so, when will those departments or agencies have installed and tested all Year 2000 corrections?
- (3) What have been the total funds expended to date to correct the "Bug"?
- (4) What is the total cost estimated to be to install all corrective measures?
- (5) Do those departments or agencies intend to engage external resources to manage the process?

Mr PRINCE replied:

#### WA POLICE SERVICE

- (1). Yes.
- (2) The Western Australia Police Service plans to have installed and tested all Year 2000 corrections by June 30, 1999. Critical business processes are planned to be complete by December 31, 1998. High Priority business processes are planned to be completed by March 31, 1999. Low Priority business processes are planned to be completed by June 30, 1999.
- (3) In the 1997/98 fiscal year the Western Australia Police Service has expended \$ 359,780 addressing Year 2000 corrections and measures.
- (4) The Western Australia Police Service has estimated a total cost of \$8.9m to install all corrective measures.
- (5) The Western Australia Police Service is managing its Year 2000 Project. Within that project, outside contractors have and will be engaged to assist with programs and strategies to complete the project.

#### FIRE & EMERGENCY SERVICES

- (1) Yes.
- (2) July 1, 1999.
- (3) \$30,000 planning costs.
- (4) It is anticipated the cost of corrective measures to Fire & Emergency Services Human Resource, Finance, Records and Operations Centre systems will be in the vicinity of \$1.1 million - \$1.4 million.
- (5) No.

#### CHILD ABUSE REPORTS

215. Dr CONSTABLE to the Minister for Police:

- (1) In each of the last three years, how many reports of child sexual assault or abuse were dealt with by -
  - (a) the Child Abuse Unit; and
  - (b) general officers?
- (2) In each of the last three years, how many reports of child assaults or abuse (other than sexual assault or abuse) were dealt with by -

- (a) the Child Abuse Unit; and  
 (b) general officers?
- (3) Are all child abuse reports that become cases dealt with by the Child Abuse Unit?
- (4) If they have not become a case dealt with by the Unit, who handles the case?

Mr PRINCE replied:

- (1) (a) 1995 - 995  
 1996 - 860  
 1997 - 752(Operation "Paradox" was not run this year which will account for the shortfall in the number of reported offences from previous years.)  
 1998 - 317(as at 11/6/98)

- (b) The WAPS Offence Information System (OIS) is not capable of providing the statistical data requested. The OIS only records the age of the victim at the time the offence was reported, not committed. The system is incapable of determining the number of victims (of child sexual assault or abuse/assault) who reported the assault as an adult (ie: when they were over the age of 18 years). There is therefore, an indeterminable number of victims that will not be represented in the data provided. The following data represents the number of victims who:

- \* were under the age of 18 years at the time they reported the offence;  
 \* were victims of sexual assault only.

1995 - 967  
 1996 - 878  
 1997 - 704

There is no offence category for "child abuse" which can be searched by the OIS. Offences which involved child victims of violence (as opposed to sexual abuse) are recorded as assaults. Again, the age of the victim recorded on the OIS reflects the age of the victim at the time the offence was reported. A child as defined by legislation refers to a person under the age of 18 years. If a search was conducted to identify the number of assault victims under the age of 18 years, for the purpose of this question, the data would be grossly misleading.

- (2) (a) 1995 - Nil (Statistics unavailable. Sexual offences were not recorded separately in 1995).  
 - 1996 - 118 (offences of a physical nature)  
 - 41 (child pornography)  
 - 1997 - 108 (offences of a physical nature)  
 - 38 (child pornography)  
 - 1998 (to date) - 36 (offences of a physical nature)  
 - 18 (child pornography)

- (b) As stated in question (1)(b), "there is no offence category for 'child abuse' which can be searched by the OIS". Offences which involved child victims of violence (as opposed to sexual abuse) are recorded as assaults. Again, the age of the victim recorded on the OIS reflects the age of the victim at the time the offence was reported. A child as defined by legislation refers to a person under the age of 18 years. If a search was conducted to identify the number of assault victims under the age of 18 years, for the purpose of this question, the data would be misleading. (ie: the data would include 15, 16, 17 and 18 years old persons who had been assaulted).

- (3) No. Refer to question (4).
- (4) District offices, metropolitan and country, deal with incidents of child abuse, sexual or otherwise, within their specified jurisdiction. In some instances, very minor incidents of abuse are dealt with by uniformed police officers during the normal course of their duties.

#### FIRE SERVICES, BUNBURY

224. Mrs ROBERTS to the Minister for Emergency Services:

- (1) What are the age and vehicle type of all fire trucks in Bunbury?
- (2) Are there any plans to update the fire truck or trucks at Bunbury?
- (3) If so, what are those plans?
- (4) If not, why not?



Mr PRINCE replied:

As responsibility for volunteer bush fire brigades and associated firefighting equipment rests with the relevant Local Government Authority, I have assumed the member's question is in relation to the Fire & Rescue Service of WA (FRS).

(1) The Bunbury brigade has three appliances:

- International Dual Cab Medium Pumper	Age:	18 years
- Isuzu General Purpose Appliance	Age:	5 years
- Toyota Light Tanker	Age:	1 year

(2) Yes.

(3) The Medium Pumper is being replaced with an equivalent International Appliance by the year 2000.

(4) At this time there are no plans to replace the remaining appliance in the near future. However, the FRS has a replacement programme policy for all appliances.

#### FIRE SERVICES, BUNBURY

225. Mrs ROBERTS to the Minister for Emergency Services:

(1) How many permanent fire fighters are located in Bunbury?

(2) Are there any plans to increase or decrease the number of permanent fire fighters in Bunbury?

(3) If so, what are those plans?

(4) How many volunteer fire fighters are there in Bunbury?

Mr PRINCE replied:

As the Bush Fire Service does not have permanent firefighters, I have assumed the member's question is in relation to the Fire & Rescue Service of WA (FRS).

(1) As part of the FRS regionalisation programme, the Director of Agricultural and Forestry region, Area Manager South-West and a support officer are located at Bunbury. The fire station is staffed by 16 permanent firefighters consisting of 1 station officer and 15 firefighters.

(2) The staffing at Bunbury was increased by one extra firefighter in June 1998.

(3) Not applicable.

(4) 18 active volunteers and 2 probationary firefighters.

#### FIRE SERVICES, MERREDIN

226. Mrs ROBERTS to the Minister for Emergency Services:

(1) What is the age and vehicle type of all fire trucks in Merredin?

(2) Are there any plans to replace the fire truck or trucks at Merredin?

(3) If so, what are these plans?

Mr PRINCE replied:

As responsibility for volunteer bush fire brigades and associated firefighting equipment rests with the relevant Local Government Authority, I have assumed the member's question is in relation to the Fire & Rescue Service of WA (FRS).

(1) The Merredin Brigade has 2 fire appliances:

- Mazda Light Pumper	Age:	8 years
- Toyota Light Tanker	Age:	7 years

(2) Yes.

(3) It is anticipated that the Toyota Light Tanker will be replaced in the next 2 - 3 years. At this time there are no plans to replace the remaining truck. However, the FRS has a replacement programme policy for all appliances.

## FIRE SERVICES, BROOME

227. Mrs ROBERTS to the Minister for Emergency Services:

- (1) What is the age and vehicle type of all fire trucks in Broome?
- (2) Are there any plans to replace the fire truck or trucks at Broome?
- (3) If so, what are those plans?

Mr PRINCE replied:

As responsibility for volunteer bush fire brigades and associated firefighting equipment rests with the relevant Local Government Authority, I have assumed the member's question is in relation to the Fire & Rescue Service of WA (FRS).

- (1) The Broome brigade has two appliances:
  - Mazda Light Pump commissioned in January 1991
  - Toyota Landcruiser Light Tanker commissioned in 1996.
- (2) At this time there are no plans to replace these appliances in the near future. However, the FRS has a replacement programme policy for all appliances.
- (3) Not applicable.

## FIRE SERVICES, MERREDIN

228. Mrs ROBERTS to the Minister for Emergency Services:

- (1) How many permanent fire fighters are there in Merredin?
- (2) For how long has that been the staffing level?
- (3) What was the previous staffing level?
- (4) Are there any plans to change the staffing levels at Merredin?
- (5) If so, what are those plans?
- (6) How many volunteer fire fighters at there in Merredin?

Mr PRINCE replied:

As the Bush Fire Service does not have permanent firefighters, I have assumed the member's question is in relation to the Fire & Rescue Service of WA (FRS).

- (1) One FRS Area Manager.
- (2) This position was established as part of the recent FRS regionalisation process and the Officer has been located at Merredin for approximately nine months.
- (3) Nil.
- (4) No.
- (5) Not applicable.
- (6) 28 active volunteers and 5 probationary firefighters.

## FIRE SERVICES, BROOME

229. Mrs ROBERTS to the Minister for Emergency Services:

- (1) How many permanent fire fighters are there in Broome?
- (2) For how long has that been the staffing level?
- (3) What was the previous staffing level?
- (4) Are there any plans to change the staffing levels in Broome?
- (5) If so, what are those plans?

(6) How many volunteer fire fighter are there in Broome?

Mr PRINCE replied:

As the Bush Fire Service does not have permanent firefighters, I have assumed the member's question is in relation to the Fire & Rescue Service of WA (FRS).

- (1) One FRS Area Manager.
- (2) This position was established as part of the recent FRS regionalisation process and the Officer has been located at Broome for approximately nine months.
- (3) Nil.
- (4) No.
- (5) Not applicable.
- (6) The FRS currently has twelve volunteer firefighters at Broome. However, this figure varies from time to time, manly due to the transient nature of the town.

#### FIRE SERVICES, MANDURAH

230. Mrs ROBERTS to the Minister for Emergency Services:

- (1) Are there any permanent fire fighters based in Mandurah?
- (2) If not, why not?
- (3) Is it intended to allocate any permanent fire fighters to Mandurah?
- (4) Are there funds in this year's Budget to allocate any permanent fire fighters to Mandurah?
- (5) If so, what are the details?
- (6) Is it intended to establish a permanent fire service in Mandurah?
- (7) If so, what are the details?
- (8) How many volunteer fire fighters are there on Mandurah?

Mr PRINCE replied:

As the Bush Fire Service does not have permanent firefighters, I have assumed the member's question is in relation to the Fire & Rescue Service of WA (FRS).

- (1) An Area Manager to provide support for volunteers in the Peel Region was appointed to Mandurah in December 1997.
- (2)-(3) Currently, Mandurah is being well served by volunteer firefighters. The concept of placing a career prevention officer to provide further support to the volunteers is being examined.
- (4) No.
- (5) Not applicable.
- (6)-(7) Given the rapid expansion of Mandurah it is anticipated that a permanently manned fire service will be appropriate for Mandurah at some time in the future. Current planning is examining an integrated approach to introduce a career firefighter or firefighters to operate in conjunction with the present volunteer members.
- (8) 30 Active and 4 Probationary.

#### POLICE

##### *Suspension of Drug Squad Officers*

242. Mr PENDAL to the Minister for Police:

I refer to the Western Australian Police Service activities undertaken to promote the stance and actions of the Commissioner and the service in relation to the six Drug Squad officers suspended on 12 December 1997, and ask what have been the total costs for each of the following activities -

- (a) the "Dear Colleague" letters prepared and mailed in December 1997 and May 1998 individually to each police officer in the WA Police Service;
- (b) the first video prepared by the Commissioner justifying his stance on the matter;
- (c) the media consultancy fee paid in relation to media work relating to responses to the decisions of the Full Court of the Supreme Court in April and May 1998; and
- (d) the second video prepared by the Commissioner of Police to further justify the stance he has taken on this issue?

Mr PRINCE replied:

- (a) Total cost, inclusive of printing, envelopes, and postage
 

December 1997	\$3758
May 1998	\$3898
- (b) The video titled "Commissioner's Media Conference 22/12/98 Re - Union Meeting/Suspension of Officers" is an unedited copy of the Commissioner's media conference of December 22, 1997 and as such incurred no production costs. The only costs incurred were for the purchase of video tapes, video dubbing and two airmail parcels. Total cost \$359.
- (c) Total media consultancy fee paid in the absence of a Media Director - Total cost \$2000.
- (d) Production cost \$4320 with a subsequent dubbing cost \$1150.

#### PLANNING

##### *Metropolitan Regional Scheme Amendment 987/33*

259. Dr EDWARDS to the Minister for Planning:

With respect to the Metropolitan Regional Scheme Amendment 987/33 what were the reasons deemed necessary by the Governor in his decision to modify the amendment?

Mr KIERATH replied:

This was a Cabinet decision, and documents relating to Cabinet decisions are confidential.

#### POLICE

##### *East Victoria Park*

299. Dr GALLOP to the Minister for Police:

- (1) Has the Minister for Police received correspondence from Ursula Frayne Catholic College expressing concerns about the problem of vandalism being experienced at the primary campus?
- (2) What does the Government propose to do about improving the security and policing situation in East Victoria Park?
- (3) What resources are currently being devoted to improving police effectiveness in the district?

Mr PRINCE replied:

- (1) Yes, the Minister for Police received correspondence from the Principal, Ms Jennifer Nicol on June 12, 1998 concerning vandalism problems at the Ursula Frayne Catholic College.
- (2) As the result of a previous request from Ms Nicol on Tuesday 26/5/98, requesting patrols of the Primary School on Saturday evenings between 6pm and 8pm, Victoria Park Police have been providing targeted patrols of the School and Church.
- (3) Current patrols by Victoria Park Police are adequate to meet community needs. Should the need arise, the resources of the Cannington District Mobile Police Facility and District Support Group will be focused on the area.

## NATIONAL TRUST

301. Dr EDWARDS to the Minister for Heritage:

- (1) What is the proposed asset expansion referred to in the budget for 1998-99 for the National Trust?
- (2) Why are the National Trust effectiveness performance measures described as "difficult" on pages 794, 795 and 796 of the Budget Statements?

Mr KIERATH replied:

- (1) The amount of \$235,000 is made up of the following:
 

\$120,000	-	Restoration works
50,000	-	Warden's Cottage Hamlet, Greenough
30,000	-	Publications
15,000	-	Office equipment
10,000	-	Computer Hardware/Software
10,000	-	Signage

- (2) The difficulties in developing effectiveness performance indicators for the National Trust have now been resolved and approved by the Office of the Auditor General. Those indicators are available if required.

## GOLDFIELDS-ESPERANCE DEVELOPMENT AUTHORITY

306. Ms ANWYL to the Minister for Regional Development:

- (1) Is the Goldfields-Esperance Development Commission (GEDC) required to -
  - (a) promote social and economic development; and
  - (b) if so, which has priority?
- (2) If no to (1) (a) above, why not?
- (3) Which projects by the GEDC have been undertaken in each of the financial years from and including 1992-93 to 1997-98?
- (4) Does each such project constitute -
  - (a) economic; or
  - (b) social development?
- (5) What evaluation of GEDC will occur following the incomplete performance indicator identified by the Auditor General in a report during 1998?
- (6) What changes will be instituted as a result of the recent identification of the need to undertake social development by independent consultants?
- (7) What was the total budget of the GEDC for the year ending 30 June 1998?
- (8) What are the names, qualifications and length of tenure of each of the -
  - (a) employees; and
  - (b) board members?
- (9) What are the salaries of each person referred to in (8) above?
- (10) What motor vehicles are supplied to each person referred to in (8) above?
- (11) What incidental, travel or other expenses including mobile telephone, telephone, facsimile and/or other reimbursements have been paid or are allocated to each person referred to in (8) above?
- (12) What amounts were paid to consultants, advertising or public relations firms for each of the financial years from and including 1992-93 to 1997-98?
- (13) What amounts are budgeted for each category referred to in (8) above during the 1998-99 financial year?
- (14) What are the duties of each current employee of the GEDC?
- (15) For the year ending 30 June 1997-98, what amounts have been allocated to the development of -
  - (a) the intermodal freight hub;
  - (b) water supply to Kalgoorlie-Boulder; and
  - (c) the Mungari industrial estate?

(16) What progress has been made in each such project?

Mr COWAN replied:

- (1) (a) Yes.
- (b) At the present time economic development is the priority of the Commission.
- (2) Not applicable.
- (3) Projects undertaken have been detailed in the GEDC's annual reports.
- (4) (a)-(b) All projects of an 'economic development' nature must take into consideration the social impact the project may have. Likewise, a project that has a primarily social focus may have some influence on the size and quality of the workforce in the region - thus having an impact on the economic development of the region.
- (5) The GEDC has completed a client survey which addresses the qualifications raised by the Auditor General. The details of the survey will be reported in the Commission's 1997/98 annual report.
- (6) No changes are considered necessary at this time.
- (7) \$1,190,000.
- (8) (a)

	Qualifications	Tenure
Mr Robert Walster	BA, Double Major, Comparative Sociology (Anthropology, Archeology, Linguistics), Asian Anthropology	30 December 2001
* Mr Ray Ciantar	Bachelor of Arts (Social Science)	
* Mr Graeme Baesjou	Graduate Diploma in Management Studies	
* Ms Alison Roberts	Progressing towards BA in History and Politics,	
* Mr Bill Mason	Bachelor of Arts in English – near completion	
* Mr Craig Jerrard	-	
* Ms Amanda Pankhurst	Progressing towards Diploma in Financial Management and Administration	
Mr Adrian Williams	BSc. in Agriculture. (employed by GEDC & Curtin University on secondment from Agriculture WA)	30 June 1999
* Ms Adele D'Emden	-	
* Ms Stephanie Fletcher	-	
Ms Fiona Neil	-	31 October 1998
* Permanent Public Servant.		
(b)		
Ms Kath Finlayson	Degree in nursing	30 June 2000
Chairperson Mr Richard Thorp	Certificate in Real Estate Management	30 June 2000
Deputy Chair Mr Patrick Hill	-	30 June 2001
Mr Ian Mickel	-	30 June 1999
Ms Toni Hawkins	Diploma of Business, Train the Trainer	30 June 2000
Mr Bob Crew	Degree in Mining Engineering	30 June 2000
Ms Esther Roadnight	-	30 June 1999
Mr Ronald Yuryevich	-	30 June 1999
Mr Richard Scallan	Degree in Mining Engineering	30 June 2001

(9)	(a)	Robert Walster	\$ 79,272.00
		Ray Ciantar	\$ 60,908.11
		Graeme Baesjou	\$ 52,270.31
		Alison Roberts	\$ 48,007.71
		Craig Jerrard	\$ 41,509.18
		Amanda Pankhurst	\$ 31,124.49
		Adele D'Emden	\$ 35,859.07
		Stephanie Fletcher	\$ 30,081.59
		Adrian Williams	\$ 26,000 – 50% salary paid by Curtin University
		Bill Mason	\$ 46,432.55
		Fiona Neil	\$ 24,070.96

(b) In accordance with the Salaries and Allowances Tribunal standard:

Chairperson	\$5000pa,	\$233 per day meeting \$185 per half day meeting
Dep Chairperson	\$3000pa,	\$186 per day meeting \$154 per half day meeting
Members		\$280 per day meeting \$123 per half day meeting

(10)	Robert Walster	Ford Fairmont	Vehicle Issued – Packaged
	Ray Ciantar	Commodore Aclaim	Access to vehicle
	Graeme Baesjou	Ford Falcon	Access to vehicle
	Kath Finlayson	Ford Fairmont	Vehicle Issued

(11) For the financial year ending 30 July 1998:

Name	Travel/ Airfares	Incidentals/ Allowances	Telephone	Mobile telephone	Other/ Car Hire etc
Robert Walster	\$6,615.99	\$3,953.91	0	0	\$1,197.45
Ray Ciantar	\$3,920.86	\$ 648.10	0	0	\$ 616.95
Graeme Baesjou	\$1,022.00	\$1,728.36	0	0	\$ 355.00
Alison Roberts	\$ 204.40	\$ 97.00	0	0	0
Craig Jerrard	0	0	0	0	0
Amanda Pankhurst	\$ 751.25	\$ 370.52	0	0	0
Adele D'Emden	0	\$ 515.82	0	0	0
Stephanie Fletcher	\$ 721.46	\$2,017.35	0	0	\$ 79.95
Bill Mason	\$ 505.55	\$2,147.38	0	0	\$ 175.00
Fiona Neil	0	0	0	0	0
Kath Finlayson	\$4,760.64	\$1,426.30	0	0	\$ 487.95
Richard Thorp	0	\$2,273.25	0	0	0
Patrick Hill	0	\$3,788.16	0	0	0
Ian Mickel	0	\$ 654.18	0	0	0
Toni Hawkins	0	\$2,065.20	0	0	0
Bob Crew	0	\$ 191.00	0	0	0
Esther Roadnight	0	\$ 138.10	0	0	0
Ronald Yuryevich	0	0	0	0	0

In addition, the Commission has three mobile phones which are used by staff on an as needed basis.

(12)	1992/93	\$40288.17
	1993/94	\$42315.05
	1994/95	\$ 33676.76
	1995/96	\$155542.02*
	1996/97	\$250024.26**
	1997/98	\$55722.80

\* includes \$117,337.06 – External monies for consultants accessed from contributions and Commonwealth Funds.

\*\* includes \$185,764.50 – External monies for consultants accessed from contributions and Commonwealth Funds.

Note: These costs include all advertising expenditure including job vacancies.

- (13) Staff Salaries - \$493,381  
Board Member Fees - \$ 18,044

- (14) Statements of Duties are attached for each position

Name	Position	Position Number
Robert Walster	Chief Executive Officer	P1600813
Ray Ciantar	Assistant Director	P1601179
Graeme Baesjou	Regional Manager	P0081190
Alison Roberts	Executive Officer	P2038596
Adrian Williams	Special Projects Co-ordinator	This is a Curtin University position
Craig Jerrard	Finance and Administration Manager	P1747277
Bill Mason	Senior Development Officer	P0081206
Adele D'Emden	Acting Research Officer	P0081206
Amanda Pankhurst	Finance and Administration Assistant	P1764482
Stephanie Fletcher	Officer	P9600002
Fiona Neil	Officer	P0081218

- (15) (a) \$9,405

(b) \$19,014

(c) \$2,496

- (16) (a) During 1997/98 the Commission convened three meetings of the Kalgoorlie-Boulder Transport Hub Steering Committee, a group with wide representation from the freight transport industry and government agencies, to determine the need for a new intermodal freight facility in Kalgoorlie-Boulder. In association with the Department of Transport, the Commission has called for Expressions of Interest to Build, Own and Operate such a facility. Westrail owned land within and adjacent to the existing West Kalgoorlie Freight Terminal is available for construction of the facility, but proponents may nominate other locations in Kalgoorlie-Boulder. Consultants have been engaged to manage the 'Expressions of Interest' process.

- (b) In February 1996 the Commission commissioned a report by Burns Roe Worley entitled *Industry Water Resources Strategy for the Goldfields Esperance Region*. In 1997 the Commission, in association with the Australasian Institute of Mining and Metallurgy, organised a seminar in Kalgoorlie-Boulder looking in more detail at the corrosion impacts of hyper saline water in mineral processing plants. Together with representatives from industry and the Water Corporation, the Commission participates in several 'WaterLink' Taskforces, reviewing opportunities for improvements to, and expansion of, the existing water supply including: a water pipeline from Esperance to Kalgoorlie-Boulder; desalination of hyper saline water resources near Kalgoorlie-Boulder; upgrading of the existing Goldfields Esperance and Agricultural Water Supply pipeline and pumping capacity.

Goldfields Utilities Limited (GUL) announced on 10 July 1998 that it is considering building a water pipeline from Esperance to Kalgoorlie-Boulder. Preliminary studies have been done and GUL is proceeding to a feasibility study. The company is proposing that seawater would be desalinated in Esperance and then piped north. GUL's proposal may also lead to the development of a new electricity generating plant in or near Esperance.

- (c) The Commission is a key member of the Mungari Advisory Board, which was re-established in September 1997, under the chairmanship of Mrs Billie Ingham, President of the Shire of Coolgardie. Agencies represented on the Board include LandCorp, Department of Resources Development, Kalgoorlie-Boulder Chamber of Commerce and Industry, City of Kalgoorlie-Boulder, and the Chamber of Minerals and Energy. The Commission provides secretarial support to the Advisory Board.

The Advisory Board is concentrating on other issues such as the recent approval of the Stage One sub-division from the Ministry for Planning. LandCorp is liaising with the Department of Minerals and Energy in relation to an Explosives Reserve and the Water Corporation have indicated their commitment to providing services to the Estate. The cost of the provision of gas is currently being examined.



In relation to Native Title issues, the Federal Court has dismissed the appeal that the State Government had not acted in good faith. The claimants have until 24 August 1998 to appeal to a higher jurisdiction.

POLICE

*Rockingham*

352. Mr McGOWAN to the Minister for Police:

- (1) In light of the current police staffing situation in Rockingham, will the Government consider instituting a Special Constables system in Rockingham?
- (2) Is the Government aware that there are in excess of a dozen Special Railway Constables living in the Rockingham area?
- (3) Has the Government considered utilising these people in a semi policing role in relation to the Rockingham area?
- (4) If not, will the Government increase the number of police officers based in the Rockingham area?
- (5) If not, why not?

Mr PRINCE replied:

- (1) There are no plans to increase the police presence to the Rockingham Police Station. However, the Superintendent in Charge of the Fremantle Police District has recently amalgamated the various sections at Rockingham which will have the desired effect of providing a substantial police presence in the area. Additionally, a District Support Group comprising 68 officers established in 1997 can be deployed in the district to deal with particular issues that arise requiring a police presence beyond that able to be provided by the local Police Station.
- (2) Yes.
- (3) No. That is not their function or role.
- (4)-(5) See (1).

BUSH FIRES ACT AMENDMENTS

458. Mrs ROBERTS to the Minister for Emergency Services:

- (1) Are amendments proposed to the Bush Fires Act to increase penalties for non-compliance?
- (2) If so, what are the details and when will the amendments be introduced?
- (3) If not, why not?

Mr PRINCE replied:

- (1) The existing provisions relating to penalties and the recouping of expenses for non-compliance with a firebreak order as prescribed under the Bush Fires Act 1954 have been identified as matters requiring review.
- (2) There are a number of proposed amendments to the Bush Fires Act 1954 and Fire Brigades Act 1942 to be considered along with this matter. However, it is unlikely that this will be progressed until 1999.
- (3) Not applicable.

CRIME

*Dr J. E. Wajon's Letter*

459. Mrs ROBERTS to the Minister for Police:

- (1) When can Dr J.E. Wajon expect a reply to his correspondence addressed to the Minister for Police dated 31 May 1998?

(2) Why has his reply on matters concerning crime prevention taken so long?

Mr PRINCE replied:

- (1) It is anticipated a response will be forwarded to Dr Wajon as soon as possible.
- (2) To provide a detailed response to the concerns raised by Dr Wajon in his correspondence of 31 May 1998, it was necessary to co-ordinate information from a number of portfolios within the Western Australia Police Service (WAPS). Unfortunately, competing priorities at the WAPS Crime Prevention Bureau, Community Services Branch precluded the finalisation of a response to Dr Wajon. The information necessary to complete a full and accurate response was received by the Ministerial Liaison Officer at Crime Support on 12 August 1998. That information is currently being assessed for accuracy and completeness and will be synthesised into a response to Dr Wajon.

## QUESTIONS WITHOUT NOTICE

### GOODS AND SERVICES TAX

#### *Revenue to States*

#### **38. Dr GALLOP to the Premier:**

Is the Premier aware of the claim by the New South Wales Treasurer, Michael Egan, on ABC's "AM" program this morning that he and other conservative Premiers rejected a proposal outlined at a Special Premiers' Conference last year by the Federal Government to give the States all of the revenue from a GST because "the States have no power to impose a GST; the Commonwealth can do that and can take the revenues away from the states at the will of the Commonwealth"?

Is it not hypocritical of him to be now lauding a proposal which he previously rejected as not in Western Australia's best interests?

#### **Mr COURT replied:**

I did not hear the comments by Mr Egan this morning on "AM". A taxation package in which the States would be given access to all of the revenue raised from a GST was not put to me at a Premiers' Conference. Mr Egan is being fanciful in his comments.

### GOODS AND SERVICES TAX

#### *Negotiations*

#### **39. Dr GALLOP to the Premier:**

What did the Premier mean when he told ABC radio on 13 August that there was still room for negotiating a different position in some areas of the GST tax package?

#### **Mr COURT replied:**

What does the Leader of the Opposition mean, what did I mean?

Dr Gallop: Exactly that. Which areas of the tax package do you want to renegotiate?

Mr COURT: When a major change to a taxation system occurs there will always be room for negotiation.

Dr Gallop: In which areas?

Mr COURT: As put forward in a comprehensive proposal, we will negotiate with the Federal Government how the Grants Commission will operate and how each of the States will be compensated when we give up financial institutions duty and federal bank account debits taxes. Queensland does not have a FID tax, for example. We must negotiate arrangements for how that share will be dealt with.

I have written to the Prime Minister about assurances given that providing the States with access to all the goods and services tax will not affect the rate of growth of the specific purpose payments, the SPPs, we are receiving. It is about time for me to ask the Leader of the Opposition the question -

Dr Gallop: It's a pretty good deal. You haven't even stitched it up and you're agreeing to it! It's a pretty good deal for WA. You have sold out. You got 20 per cent on health and nought per cent on this.

Mr COURT: I find it amusing that the States have been offered access to a major growth tax and the Leader of the Opposition sees it as a negative.

Several members interjected.

Mr COURT: I ask the Leader of the Opposition this question: Is he lobbying Mr Beazley for the States to have access to growth revenue?

Dr Gallop: Frequently; every time I see him, I lobby him.

Mr COURT: Which growth revenue?

Dr Gallop: Income tax; that's the one you were doing, but didn't get. Now you are supporting the result.

Mr COURT: Constitutionally that can be done right now if people want it.

Dr Gallop: You have sold out federation, and you have sold it out in the interests of your mate in Canberra. That's how much you are committed to Western Australia.

Mr COURT: We will wait with bated breath for the Labor Party's tax package. It will be interesting to see what growth revenues the States will be given access to. I remind members that in 1984, when the States had an agreement to get a guaranteed percentage of all commonwealth tax collections, a Labor Government changed the legislation that denied us access to those growth revenues. Now that we will be given access to a major growth revenue, all those opposite do is whinge.

Dr Gallop: You have done nothing for three days because you are embarrassed by your sell-out.

The SPEAKER: Order! I just remind members that if so many of them want to get into the action, as it were, and to have a say, they can move a motion or an amendment to the Address-in-Reply. There are too many interjections.

#### BREAST SCREENING CONTRACT

##### **40. Dr TURNBULL to the Minister for Health:**

A contract is being prepared for the supply of breast screening services in country areas in Western Australia, and in the metropolitan area. What is the timetable for the progression of this contract and also the benchmarks that must be achieved by the tendering service provider?

##### **Mr DAY replied:**

I thank the member for some notice of this question. I am advised that the formal request for proposals for the service will be released by the end of this month, with approximately eight weeks being given within which to submit proposals. The proposals will be evaluated and negotiations will be undertaken with preferred proponents. It is anticipated that a decision on the successful contractor will be made by the end of this year, with the contractor commencing early in the new year, 1999. In addition, the current in-house provider of screening services - the Women's Cancer Screening Services - will be required to prepare a plan to deliver the services as outlined in the formal request for proposals, and in the same time frame as the other proponents. The costs submitted by that organisation will then be checked by Treasury and will form the benchmark cost for comparison with the preferred proposals.

#### TAX PACKAGE

##### *Treasury Analysis*

##### **41. Dr GALLOP to the Premier:**

I refer to the Under Treasurer's claim during an Estimates Committee hearing in May this year that Treasury would be able to provide a detailed analysis of the Federal Government's tax package and its impact on Western Australia, within a day or so of its release.

- (1) Has Treasury produced that analysis; if not, why not?
- (2) If so, will the Premier table the analysis this afternoon; if not, why not?

**Mr COURT replied:**

- (1)-(2) I am aware that Treasury is preparing such an analysis. I cannot say that it will be ready for tabling this afternoon. However, I am willing to give the Leader of the Opposition a copy of the analysis as soon as it is prepared. One of the interesting features of the Federal Government's tax reform proposal is that the States will be given a guaranteed revenue growth in the first three years equivalent to the current arrangement on real per capita income, and thereafter the projections on the GST show a substantial growth in revenue. I repeat, the one opportunity the States had to share in revenue growth from the Commonwealth was taken away by a Labor Government.

## CROWN LAND

*Development Proposals***42. Mrs HOLMES to the Minister for Lands:**

With the proclamation of the Land Administration Act on 30 March 1998, I ask-

- (1) What role will local councils play through the consultative process in evaluating proposals that affect crown land?
- (2) How will they be obligated to inform local communities of the outcomes of these evaluations?
- (3) Are local residents able to be involved in the evaluation process; if so, to what extent?

**Mr SHAVE replied:**

I thank the member for some notice of this question.

- (1) Section 14 of the Land Administration Act requires the Minister to consult with local government before exercising certain powers in relation to crown land.
- (2) Although the Act and its regulation specify levels of community consultation for certain matters, such as those relating to roads, malls and public accessways, there is no obligation under the Act for local governments to advise communities of outcomes.
- (3) The Act specifies consultation with specific parties on certain issues, but does not prescribe the involvement of local residents in all cases. However, in view of section 14 of the Act, local government has the opportunity to involve local residents in this process.

## TAX PACKAGE

*Pensioners and Self-funded Retirees***43. Ms WARNOCK to the Minister for Seniors:**

I refer to the State Government's endorsement of the Federal Government's tax package.

- (1) Can the Minister guarantee that pensioners and self-funded retirees in Western Australia will not be financially worse off under the tax package?
- (2) Can the Minister explain to pensioners and self-funded retirees precisely how they will be compensated for a 10 per cent tax on food and other essentials of life?

**Mrs PARKER replied:**

- (1)-(2) The Federal Government's tax reform package includes a number of initiatives aimed directly at seniors. These include an increase in the pension rate and the aged persons' savings bonus, and also lifting the threshold to allow more people to qualify for pension benefits. As we look at the detail of the tax package, it will be important to see that the interests of pensioners have been taken into account.

Interestingly, the federal coalition has put forward a tax reform package, and it is now up to the federal Labor Party to come up with an alternative. As the people of Australia have generally acknowledged the need for tax reform, I look forward with interest to Labor's tax package to see what it will contain for seniors.

TAX PACKAGE

*Pensioners and Self-funded Retirees*

**44. Ms WARNOCK to the Minister for Seniors:**

As a supplementary question, has the Minister's office conducted any analysis of the impact of the Federal Government's tax package on Western Australian seniors; if not, why not?

The SPEAKER: I will allow the two questions, albeit disguised as one.

**Mrs PARKER replied:**

I have directed the Office of Seniors' Interests to work with Treasury to analyse both the early information and the detail of the package to see how the proposal relates to seniors.

TRUTH IN SENTENCING

*Mandatory Minimum Penalties*

**45. Mr BAKER to the Minister representing the Attorney General:**

Does the Attorney General propose to introduce legislation effecting truth in sentencing and prescribing mandatory minimum penalties for repeat offenders found guilty of violent offences against the person?

**Mr PRINCE replied:**

I thank the member for notice of the question. The Attorney General has provided the following response -

Penalties in Statutes are generally maximum so that the courts can exercise discretion in applying them to particular cases, taking into account the circumstances of victims, the general circumstances of the case, and any matters particular to an offender. The Parliament, through legislation, makes a range of penalties available to the courts. The role of the courts is to apply the penalties to the specifics of any case. Mandatory minimum penalties are set by Parliament for some offences; for example, wilful murder and murder, three or more convictions for home burglary, and drink driving. Given the range of sentencing options available, it is a difficult task to determine what an appropriate minimum should be. The Attorney has received a report and is working on a proposal to increase the minimum term of any sentence from one-third to one-half; to bring in a matrix to assist courts in sentencing and to enable them to be seen to be sentencing consistently across a range of different circumstances for the same sort of offence; and to abolish remission.

With your indulgence, Mr Speaker, I wish to make a remark about the death of the 72-year-old man that occurred in the early hours of today. The young offender concerned was bailed and was a parolee at the time. The Premier, the Attorney and I have consulted on this matter, which is a matter of grave concern. We have asked for reports on how this matter came to be; and I have made that request of the Police Service, in my role as Minister for Police; and the Attorney is working on the matters with regard to bail.

GOODS AND SERVICES TAX

*School Fees Increases*

**46. Mr RIPPER to the Minister for Education:**

I refer to the provisions in the School Education Bill which prevent government schools from charging for tuition but allow them to charge for services and materials, and which make these charges compulsory, and I ask -

- (1) Do not these provisions mean that the increased school fees which the Minister proposes to charge government school parents will now also be subject to the federal coalition's goods and services tax?
- (2) Will the Minister lobby his federal colleagues to alter their proposals and to make education truly GST free?
- (3) If not, why not?

**Mr BARNETT replied:**

- (1)-(3) The tax reform package proposed by the Federal Government makes a distinction on education and makes education so-called GST free; and because it does that in a global sense, it will make education spending more attractive to Australian households than would otherwise be the case. With regard to some of the specific details, it may impact on consumable items, but my interpretation is that the setting of charges on parents, whether they be voluntary or compulsory, will not attract a GST and will be exempt.

Mr Ripper: You are wrong.

Ms MacTiernan: Have you checked that?

Mr BARNETT: It is my understanding that it will not attract a GST, but I will check that.

#### COMMUNITY SERVICE GRANTS

#### 47. Mr BAKER to the Minister for Youth:

Will community service grants increase in 1998-99; and, if so, what will be the nature and extent of any such increases?

#### Mr BOARD replied:

I thank the member for the question. In recognition of the number of youth organisations that are now doing very prominent work in the community, we have increased substantially the funding for these organisations for 1998-99. These organisations have also signed service agreements with the Office of Youth Affairs to provide services in line with the current policy of the Government, but in many ways will develop their own policies with regard to what they have been doing with young people in Western Australia for a considerable time. I recognise also that the vast number of these organisations are run by volunteers, who do work for the community that is unpaid.

To give some examples, we have increased funding for the Scout Association of Western Australia and the Guides Western Australia Inc by 32 per cent; and we have increased funding for the Boys' Brigade and the Girls' Brigade by 50 per cent on average. We have also increased funding for the Young Women's Christian Association, the Young Men's Christian Association, the Youth Affairs Council of Western Australia, the Anglican Youth Ministries, the Salvation Army, the Uniting Church in Australia's Youth Services, the Duke of Edinburgh's Award, and so forth. Many organisations such as these are also dovetailing into the program of youth leadership and are working in conjunction with the Office of Youth Affairs to develop youth leadership in Western Australia.

We have also provided additional funding to Young Achievement Australia and Fairbridge Western Australia (Incorporated); and, as I indicated earlier to the Parliament, to the Leeuwin Ocean Adventure training program. Many of these organisations are also receiving funding through our youth grants program. We comprehensively support the work that is being done by these community-based organisations.

#### YOUTH ADVISORY COUNCIL

#### 48. Ms ANWYL to the Minister for Youth:

Why has the Minister's Youth Advisory Council not met since about July last year? How can he claim to be serious about issues such as youth suicide and youth unemployment when he cannot even be bothered listening to his own advisory council?

#### Mr BOARD replied:

I thank the member for no notice of this question. The Minister's Youth Advisory Council, which is chaired by a prominent Western Australian, Mr Ray Della-Polina, has been meeting for approximately 18 months through the Office of Youth Affairs. It decided to break into three separate working groups, and the Minister's Youth Advisory Council has been working on -

Ms Anwyl: It has not been meeting since last year.

Mr BOARD: It has been meeting -

Ms Anwyl interjected.

Mr BOARD: It decided to break into working groups to work on some of the major issues facing youth in Western Australia. In addition, the Youth Advisory Council has been consulting with young people in Western Australia. The council has been the driving force behind 33 major youth forums. Twenty-nine committees have now been set up in Western Australia. The council is providing great input into the Office of Youth Affairs. I commend the Youth Advisory Council. It has been its decision to break into working groups to provide greater service to the youth of this State.

#### LITERACY TESTING

#### 49. Mr BLOFFWITCH to the Minister for Education:

Can the minister reassure the House that the information on individual students to be gathered from the literacy testing for Year 3 students will not be released publicly?

**Mr BARNETT replied:**

I thank the member for some notice of this question. I was most disturbed by the comments published in *The West Australian* this morning by the President of the WA Council of State School Organisations in which the statement, as reported, disclosed that information on individual students would become available or public. I reassure members, the media and the public that no information will be released on any individual student to anyone other than the parent or guardian of that child. Should media outlets or the public even try to use freedom of information legislation to access this information, it would never be available on individual students or teachers.

## WESTRAIL

*Sale of Freight Business and Rail Network***50. Ms MacTIERNAN to the Minister for Primary Industry:**

Does the minister agree with the WA Farmers Federation that Western Australian grain producers will be the losers from the Government's decision to sell Westrail's freight business and rail network, with many grain producers suffering higher freight prices in the long term? What guarantees can the minister give the grain industry that a private monopoly rail owner will not cut services and increase prices, as happened elsewhere as a result of rail privatisation?

**Mr HOUSE replied:**

Western Australians can be justly proud that we have a very efficient grain industry. It has been made efficient because in the past we have received input from all sectors, not only from people in the farming industry, but from Co-operative Bulk Handling, the Grain Pool of WA, and the Australian Wheat Board. It is a very good system that has transported our grain from the farms to the ports at the best possible price.

Ms MacTiernan: So did the farmers have input into the decision?

Mr HOUSE: My word they did, yes; through the grain freight steering committee.

Ms MacTiernan: The grain freight steering committee was not dealing with the issue of privatisation.

Mr HOUSE: The grain freight steering committee and others have had much input into the decision-making process. We are at the early stages of the decision, and although the Farmers Federation might have some concerns about it - I have spoken to its members about those concerns, and they were rightly expressing concerns that they wanted to be addressed - I believe, and I believe that the majority of farmers believe, that the decision is in the best interests of the grain industry.

## GRAFFITI

**51. Mr BAKER to the Minister for Police:**

I refer to growing concern in the Perth metropolitan area, particularly in the northern suburbs, about the apparent proliferation of criminal damage caused by graffiti. Is the minister proposing to introduce any new legislation to curb that antisocial menace?

**Mr PRINCE replied:**

I thank the member for some notice of this question. In fact, I gave notice today of a Bill to amend the Police Act which will come into the House later this week. It is intended to extend the current provisions concerning graffiti damage by amending a certain section of the Act. I will summarise it: First, it will make it an offence for a person to carry anything with the intention of using it to cause damage such as graffiti, whether it be a spray-can, a felt-tipped pen, a glass-scratching implement or something of that nature; secondly, it will provide police with the power to stop, detain and search anybody who is suspected of committing an offence; and, thirdly, it will enable them to seize anything that is found that a police officer reasonably suspects relates to the offence. That is a summary of the Bill that will come into the House later this week, and it will give the police considerably more power to deal with people of that nature.

## ARMADALE-KELMSCOTT MEMORIAL HOSPITAL

*Sale***52. Ms MacTIERNAN to the Minister for Health:**

Given that the Minister has been quoted in the local Press as saying that the Government consulted the local community before determining its preferred position of selling the entire Armadale-Kelmscott Memorial Hospital and the Armadale Health Service to a private company, I ask -

- (1) Is the minister aware that none of the three affected local government authorities, the hospital auxiliary or even the Government's own community reference group has even been told of the Government's intention to proceed down that path?
- (2) Can the minister nominate which members of the local community the Government consulted before determining its preferred position?

**Mr DAY replied:**

I find it absolutely amazing that the Opposition pursues this subject, because the Armadale-Kelmscott region has needed a new hospital for years, and in government the member for Armadale did absolutely nothing about it. The development of a new hospital at Armadale-Kelmscott has been talked about for 10 years, and the previous Government did absolutely nothing about it.

Ms MacTiernan: Whom did you consult, minister?

Mr DAY: I will put that question to rest. Much consultation is going on with the local community at the moment and everybody in the local area has an opportunity to make an input through the community reference group or through any other means if they wish.

Ms MacTiernan: They did not know about it, Minister. Members of the community reference group had not heard about it until they read about it in the local paper, and they were livid and they threatened to resign because you were going to treat them like that in future. No-one in the community knew, including the Government's community reference group, and its members threatened to resign if you continued to treat them like that.

Mr DAY: Full consultation is going on at the moment. The Government has made no decision whatsoever on how the new hospital, which is so badly needed, will be provided. The notion of involving the private sector in the provision of services to the public of Western Australia is interesting. One could make the following comment -

It accepts the notion that the focus should always be on the goal rather than the process or means which may have been traditionally used to achieve it. Where it was once appropriate for the public sector to undertake certain activities to achieve a desired outcome, the Government accepts that it may not be the case now, or that it may be possible to achieve that outcome in another more beneficial way.

Does the member for Armadale know who said that?

Ms MacTiernan: I have no interest in that. I want to know whom the minister consulted about selling the hospital.

Mr DAY: The member for Armadale might be interested to know that that statement was made in the Legislative Assembly on 24 September 1992 by the Minister assisting the Treasurer, who is now the Leader of the Opposition.

Several members interjected.

Dr Gallop: About hospitals?

Mr Court: Yes, about hospitals.

Mr DAY: These are words straight out of the mouth of the Leader of the Opposition. The Leader of the Opposition, as he now is, went on to say -

It has again demonstrated that it -

"It" being the previous Government -

is prepared to make hard decisions in order to ensure priorities are set so limited resources are directed to where they can provide the maximum community benefit. Making conscious decisions about the relevance of activities and reordering priorities is an important part of good government.

Ms MacTiernan: A convention centre before a hospital? That is a priority!

Several members interjected.

The SPEAKER: Order! The kind-hearted minister is giving members plenty of opportunity to interject because his answer stops and starts, but he is allowing too much interjection. I ask him to bring his answer to a close.

Mr DAY: The Government recognises that a new hospital is long overdue for the people of the south-eastern corridor. We are doing something about it and not running a scare campaign which frightens the sick and the elderly in the Armadale-Kelmscott region. They need the treatment and the additional services the Government is providing. We are not simply whingeing about the situation.



## SHIRE OF WANNEROO AND CITY OF JOONDALUP

**53. Mr BAKER to the Minister for Local Government:**

I refer to the split of the City of Wanneroo on 1 July this year into a new Shire of Wanneroo and City of Joondalup. Could the minister provide the House with a brief progress report on the commissioners' administration of these two new local government areas?

**Mr OMODEI replied:**

I am pleased to advise the House that the restructure continues to progress positively and that the commissioners are fulfilling their functions as required. I meet the chairman of commissioners, Campbell Ansell, monthly regarding the progress of the commissioners and the implementation of the restructure. The commissioners, acting as the Shire of Wanneroo, recently advertised the position of chief executive officer in a step towards the creation of the council's administrative structure which will be separate from the City of Joondalup.

As previously foreshadowed, I doubt the commissioners will complete their tasks by 1 July 1999. Consequently, I will be introducing amendments to the Local Government Act to allow the term of commissioners involved in a restructure to be increased to two years, the same time currently allowed for commissioners appointed to a council under suspension. I appreciate the keen and constructive interest shown in the new councils by all of the members in that vicinity, in particular the members for Joondalup, Wanneroo and Hillarys.

## ARMADALE-KELMSCOTT MEMORIAL HOSPITAL

*Redevelopment Tenders***54. Ms MacTIERNAN to the Minister for Health:**

Can the minister confirm that of the five original selected tenderers for the Armadale-Kelmscott Memorial Hospital only two remain in the field? Has the minister received any advice of why Hospital Care Australia has withdrawn from the tender process?

**Mr DAY replied:**

It is my understanding that only two proponents remain for the redevelopment of the Armadale-Kelmscott Memorial Hospital. One of those is one of the original proponents. The other proposal has come from two of the original proponents who have combined to put in a single bid. The process is still very much on track and its validity has not been compromised in any way. I look forward to receiving the various proposals.

Ms MacTiernan: The minister does not find that to be a problem that he has now.

Mr DAY: The member for Armadale would have listened to my previous answer. In case she did not, let us consider something said in this place on 12 November 1992 by the now Leader of the Opposition -

One has to produce a more sophisticated argument why this Government and this Parliament ought not to allow a particular public asset to go out into the private marketplace on the basis of a public float.

The Opposition has no credibility on this issue whatsoever. It is full of hypocrisy and its argument will not be sustained in the public arena for one moment.

Dr Gallop: We are talking about two insurance companies; that is a little bit different from hospitals.

## WESTRAIL

*Sale of Goods Haulage Business***55. Mrs HOLMES to the Minister representing the Minister for Transport:**

I refer to the recent announcement by the new Minister for Transport of the sale of Westrail's goods haulage business. What is the rationale for this sale and what are the expected benefits to the taxpayers of Western Australia, particularly small business?

**Mr OMODEI replied:**

The Minister for Transport provided a lengthy response.

The decision for the sale follows a government investigation which commenced in November 1997 to identify the options for Westrail, which, for the first time in its history, is facing open competition from the private sector in all aspects of its freight business.

New national competition laws are about to create open-access arrangements which will give private sector rail operators the right to use Westrail's 5 400 kilometres of track network.

Although Westrail's freight operation has been modernised and finetuned over the past five years, and although it has clearly demonstrated its ability to be competitive, under continued government ownership it will become increasingly difficult to compete with the flexibility and commercial freedom available to private sector operators. Therefore, Westrail's highly concentrated and profitable freight business is vulnerable to being lost to competitors who have full commercial freedom in their operations. The loss of just one large customer would significantly damage Westrail's performance and quickly erode the value of the organisation.

Westrail's seven major customers make up 75 per cent of its business and there would be a growing threat of "cherry picking" by national private sector operators trying to win business if it did not have the commercial freedom necessary to compete aggressively in the marketplace.

Ms MacTiernan: Why does the minister not just corporatise it? He does not have to sell it.

Mr OMODEI: A sale task force has been established to ensure a number of conditions and safeguards are met, including guarantees of service to regional and rural users. All existing contracts with Westrail will be honoured, including the organisation's commitment to the WA Grain Logistics Strategic Plan. Future options for the grain industry to establish its own handling and marketing structure will not be detrimentally affected by the proposed sale.

Several members interjected.

Mr OMODEI: Industry and user groups will be consulted to shape the sale package, to ensure competitive freight rates are maintained. Extensive statewide consultation will be undertaken to accommodate in the sale plan the views of the grain industry, the mining industry and other user groups.

Westrail's urban and country passenger services are not included in the sale progress.

The SPEAKER: Order! I am aware that some members have much interest in that question, particularly the member who asked it. Members need to be reminded that when the Minister for Local Government represents the Minister for Transport, he must give the Minister for Transport's answer.

#### TAX PACKAGE

##### *Homeswest Rental Charges*

#### **56. Mr BROWN to the Minister for Housing:**

I refer to the tax package announced by the Howard Government and its proposal to increase pensions by 4 per cent to compensate for the goods and services tax.

- (1) Will Homeswest rental charges increase by 4 per cent for those pensioners who receive the 4 per cent adjustment?
- (2) What action will the minister take to ensure rental charges are not increased by 4 per cent in this way?

#### **Dr HAMES replied:**

I thank the member for the question.

- (1)-(2) Yes, we have been looking at Homeswest and the impact of the GST on housing rental programs. We will have further discussions on this. Initial indications are that we will be able to absorb any GST components applicable to pensioners in Homeswest accommodation without passing on those components.

Dr Gallop: The minister will not increase it, then?

Dr HAMES: I am not saying, "Yes, definitely we will not." I am saying that there is a fair certainty that we will not.