Legislative Council

Wednesday, 28 October 1981

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

QUESTIONS

Questions were taken at this stage.

BILLS (2): INTRODUCTION AND FIRST READING

1. Companies (Application of Laws) Bill.

   Bill introduced, on motion by the Hon. I. G. Medcalf (Attorney General), and read a first time.

2. Bush Fires Amendment Bill.

   Bill introduced, on motion by the Hon. D. J. Wordsworth (Minister for Lands), and read a first time.

PAY-ROLL TAX ASSESSMENT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Leader of the House), read a first time.

Second Reading

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [4.49 p.m.]: I move—

That the Bill be now read a second time.

The main purpose of this Bill is to provide relief from pay-roll tax to certain small business proprietors in particular and to grant a concession to all other businesses currently paying pay-roll tax. It is one of three measures to come before this House to give effect to the Government's taxation proposals as outlined in the Budget speech.

Under the existing legislation, taxpayers receive a basic exemption of $72 000 in that no tax is payable in respect of annual pay-rolls up to that figure. For pay-rolls above that level, the basic exemption or deduction is reduced by $2 for every $3 by which the annual pay-roll exceeds $72 000, tapering to a then flat deduction of $32 400 on annual pay-rolls of $131 400 or more.

It is proposed to increase the basic exemption from $72 000 to $102 000. As at present, the deduction will be reduced by $2 for every $3 by which the annual pay-roll exceeds $102 000. This will have the effect of increasing the minimum flat deduction to $36 000 which will apply to pay-rolls of $201 000 or more.

As a result of the proposed changes, business with pay-rolls of $102 000 or less, will not be liable for pay-roll tax. The increase in the basic exemption will mean that 750 businesses currently paying tax will be exempted, while all employers with annual pay-rolls in excess of $102 000 will have their annual tax bills reduced by amounts ranging up to $2 500. For example, a business with an annual pay-roll of $150 000 would currently pay tax amounting to $5 880, whereas under the new scale, the tax bill will be reduced to $4 000—a saving of $1 880.

As has been the case in previous amendments, special provision has again been made to ensure that no taxpayer will be required to pay more tax than he would have been liable to pay had the law not been amended by the proposals now before the House. This situation could arise in certain cases in the transitional year, because of different limits and concessions having to be applied to each of the two six-monthly periods.

The main type of taxpayer who could be disadvantaged is the seasonal employer where the bulk of the taxable wages is paid in the period from 1 July 1981 to 31 December 1981. An example of a case in question would be a seasonal employer who will pay taxable wages of $108 000 in 1981-82 of which, say, $84 000 would be paid in the first six months and only $24 000 in the second six months.

If the law is not amended, he would be entitled to the deduction applicable to his taxable wage level for the full 12 months and his tax bill for 1981-82 under these conditions would be $3 000. However, because of the changes to be made in the law, his assessment must be divided into two separate periods and, therefore, the deductions are apportioned.

In his case, this means for the period ending 31 December 1981, he would be liable for tax of $3 390, but in the second period ending 30 June, 1981, he would be exempt because the taxable wages paid will be below the proportion of the increased deductions. Therefore, in such a case, the change in the law would disadvantage the taxpayer to the extent of $390 in 1981-82.

This result is inconsistent with providing further relief from tax and it is necessary to include a provision in the Act to enable the taxpayer to apply for a refund of any amount overpaid. This is consistent with previous amendments of providing for a transitional period to avoid anyone being penalised unfairly, if he is a seasonal employer.

The provision limits the refund or rebate to sums in excess of $10, as the time involved in the preparation and processing of an application for a small sum in most cases would be more than the amount of the refund and, therefore, an uneconomical procedure for both the taxpayer and the department.

In addition, the Bill contains a number of other provisions which are necessary as a result of the changes in the amounts previously referred to as they regulate the submission of returns and prescribed deductions to be made from taxable wages.

In order to calculate the annual deductions applicable to the various situations in which pay-roll tax is levied, formulae are employed.

The Bill provides also for the amendments to the legislation to apply on and from 1 January 1982. Therefore, in the transitional year, this legislation has been structured to divide 1981-82 into two parts, with one adjustment at the end of the financial year. The first part covers the period from 1 July 1981, to 31 December 1981, and the second part from 1 January 1982, to 30 June 1982. The reason for the division is that different limits and concessions will apply to each period.

Annual adjustments to tax payable are necessary under the existing law and will continue to apply in future. The need for the annual adjustment arises from the taper nature of the deductions which when taken in conjunction with wage fluctuations in monthly periods, makes it impossible to determine the precise amount of deduction entitlement until the end of the year.

As the legislation also contains grouping provisions, and groups are to receive the same concessions as other taxpayers, the Bill includes similar provisions and formulae for calculations of the tax in these situations.

The opportunity also has been taken to effect certain other minor but necessary amendments.

As the legislation now stands, because of the differing amounts and periods of time, any alteration to the allowable deductions requires not merely a substitution of those amounts and dates but almost a complete repeat of all the existing sections and subsections.

It is proposed to streamline the procedure by incorporating amounts and dates in a schedule to the Act, rather than including them in the body of the Act itself. This will overcome the necessity of lengthy amendments to the Act on each occasion these particular provisions are presented for review.

In addition, certain subsections, which were transitional provisions in 1971, are to be repealed as they no longer have any application.

Objection and appeal provisions are to be modified so that uniform procedures and requirements in future will apply to all taxing legislation.

At the same time, it is proposed to include a provision in the Act, similar to other legislation, whereby the Commissioner of State Taxation will be allowed to state a case for the court, as this is a simpler and less expensive method of obtaining the Court's interpretation on the matter.

Certain definitions are to be updated, one being the result of a change to another Act and two others to cover weaknesses in the law brought to light by attempts to avoid the revenue in other States.

Another section is to be amended to prevent the use of exempt institutions in schemes to avoid the payment of tax.

Some other sections are to be amended to update the filing of returns and to improve the inspection and recovery provisions of the legislation.

In regard to the inspection provisions, it is proposed to allow the commissioner greater flexibility in the conduct of investigations. This has become necessary as it has been discovered that many taxpayers are evading the payment of tax and it is essential, both on the grounds of equity and for the sake of the revenue, to locate these tax evaders as soon as possible.

The proposed amendments will considerably increase the number of inspections and so speed up the collection of the additional or evaded revenue.

It also is necessary to effect certain amendments to the grouping provisions of the Act. One such amendment is to protect the revenue by making all members of the group jointly and severally liable for the payment of any outstanding tax. Another proposed move is to clarify those sections relating to the exclusion of certain businesses from the grouping provisions of the legislation.

As the law now stands, there are three separate sections containing varying criteria for grouping businesses, but there is only one generalised exclusion provision. This has made difficult the administration of these provisions of the Act and therefore, it is proposed that each of the three grouping sections will have its own exclusion provision. This move will not only clarify the

situation but also will more easily enable each case to be judged on its individual merits.

The cost to revenue of the proposals contained in this Bill is estimated to be $1.9 million in the current financial year, as they will apply for only part of the year, and $4.4 million in a full year of operation.

As previously stated, the Bill contains proposals to reduce pay-roll tax in accordance with the announcement made when introducing the Budget.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Berinson.

MRPA: WUNGONG GORGE AND ENVIRONS

Disallowance of Amendment: Motion

Order of the day read for the resumption of the debate from 27 October.

Debate adjourned, on motion by the Hon. V. J. Ferry.

LIQUOR AMENDMENT BILL

In Committee

Resumed from 27 October. The Chairman of Committees (the Hon. V. J. Ferry) in the Chair; the Hon. G. E. Masters (Minister for Fisheries and Wildlife) in charge of the Bill.

Postponed clause 4: Section 6 amended—

Progress was reported on the clause after the Hon. Neil Oliver had moved the following amendments—

> Page 2, line 6—Add after the passage "(1)" the passage "—(a)".
>
> Page 2, after line 8—Add the following new paragraphs to stand as paragraphs (b) and (c)—
>
> (b) in subparagraph (iii), to delete "a week" and substitute "any".
>
> (c) after "Anzac Day" insert "Christmas Day and Good Friday;".

The Hon. NEIL OLIVER: I seek leave to withdraw my amendment.

Amendments, by leave, withdrawn.

The Hon. G. E. MASTERS: I move an amendment—

> Page 2—Delete clause 4 and substitute the following—
>
> 4. Section 6 of the principal Act is amended—
>
> (a) in subsection (1)(h)—
>
> (i) by deleting "millimetres" and substituting the following—
>
> " millilitres "; and
>
> (ii) in subparagraph (iii), by deleting "other than Anzac Day" and substituting the following—
>
> " and such hours, not being outside those hours, on a Sunday, other than Anzac Day, as the Court authorizes under subsection (1a) of this section "; and
>
> (b) by inserting, after subsection (1), the following subsection—
>
> " (1a) The Court shall, on the application of the occupier of a vineyard or orchard referred to in paragraph (h) of subsection (1) of this section, authorize the occupier to sell and supply wine manufactured by him, but subject to the restrictions and conditions set out in that paragraph, during a period applied for not exceeding, or two periods applied for not exceeding in the aggregate, five hours on a Sunday other than Anzac Day; and may, on application so made, vary an authority previously given under this subsection. ".

The amendments moved by the Hon. Neil Oliver provide for quite dramatic changes in a number of areas and I would like members to understand exactly what would happen if my amendment were not accepted.

At the moment we have decided that the hours of trading will be limited on Sunday, and the hours are clearly set out for hotels, taverns, and the like. The hours suggested in my amendment will bring the sale of wine produced on vineyards and sold in sealed bottles from those vineyards—they are an aggregate number of hours—in line with the hours permitted for trading by hotels and taverns.

It is important we continue the policy of limiting hours of trading on Sunday wherever possible. We have not extended hours available for trading for liquor outlets on Sundays; we have simply made allowances in the bottle sales area. If members do not support my amendment the effect on the licensed vignerons will be quite dramatic.

The Hon. Neil Oliver's amendment would permit the sale of wine on vineyards from 10.00 a.m. to 6.00 p.m., a total of eight hours. I want members to ensure these hours are in fact reasonable and in line with those under which hotels and taverns operate. If we do not control

the hours of trading and if we do not have some sort of restriction on vineyards—those wine producers who are not licensed vignerons—and we allow more than the hours I am suggesting, we will have to do exactly the same for those people who are licensed vignerons. Licensed vignerons would be able to sell wine off and on the premises. If we extend the hours for vineyards to sell wine in sealed containers to match the hours under which hotels and taverns operate, we will have to do exactly the same for licensed vignerons. This means there would be licences to allow the consumption of wine in areas throughout the State, and particularly in the Swan Valley. I am sure this is not what members have in mind.

We have to contain and provide hours within reasonable parameters. I would hate to see licensed bars operating in the Swan Valley during all sorts of hours on a Sunday, and this is what would happen next. They would at least have to match the hours of trading allowed to wine producers.

For that reason Sunday trading hours should be controlled because any change in those hours would have a colossal effect on the rest of the industry. If there were an extension of hours for the sale of bottles or the consumption of wine at vineyards, we would find that hotels, taverns, and certainly licensed clubs, would immediately proceed to place pressure on the Licensing Court, the Minister, and the Government to extend their hours.

We should have uniformity throughout the industry. If we are to allow the sale from vineyards of wines in sealed containers, we should limit the total hours to those under which hotels and taverns operate. If we are to promote the consumption of wine on vineyards, as we intend to do with respect to licensed vignerons, we will simply have to maintain those standard hours rather than have all sorts of hours.

Members might say there are country areas where perhaps extra hours are justified, but we are talking about a State-wide situation and particularly about the Swan Valley. That is virtually a metropolitan area and we would be asking for trouble if we allowed unlimited hours or even an extension of the present hours.

My amendment brings into line the sale of wines from vineyards in wine-producing areas with the sale of wines, spirits, and other liquor in the normal outlets of the State—the hotels and taverns.

The Hon. Lyla Elliott: Would this mean the vigneron would be able to sell wine during the five hours of the day he would be open?

The Hon. G. E. MASTERS: Yes. We are simply saying there will be an aggregate number of hours he may be open.

The Hon. Lyla Elliott: He could be open from 12.00 p.m. to 5.00 p.m.?

The Hon. G. E. MASTERS: It would be up to the Licensing Court to work out what hours would suit the demand. We have in mind the tourist trade, and there are special considerations involved. Whatever the hours involved, it would be reasonable that there be no greater access by the vignerons to public demand and no greater number of hours given to them than those which apply to hotels and taverns. There would be all sorts of problems if we allowed extra hours, not the least of which would be licensed clubs wanting special consideration.

The Hon. N. F. MOORE: I commend the Minister on the amendment he has moved because he is changing the provisions in the Bill to enable those vignerons who now operate under section 6 of the Act to sell liquor on Sundays. The whole question of vignerons is somewhat confusing to many members, bearing in mind there are vineyards which operate under section 6 and its exemption provision and those which operate under vigneron licences. The section 6 exemption people are permitted under the Act to sell wine for consumption off the premises and are permitted to open six days a week between 8.30 a.m. and 8.30 p.m.

There are four or five vineyards which hold vigneron licences which enable them to sell wine for consumption on and off the premises, but not on Sundays. With this amendment the Minister is changing the amending Bill to enable those vineyards which are operating under section 6 of the Act to sell wine on Sundays. The amending Bill changes only the Sunday trading provisions for those people holding vigneron licences. It allows those four or five vineyards operating under vigneron licences to sell on Sundays. All other vineyards would not be able to sell on Sundays. I support the amendment because it will allow all vineyards to sell wine on Sundays if they so choose without having to take out a vigneron's licence.

I cannot accept the second part of the amendment in respect of hours. In my judgment the whole idea of allowing vineyards to sell wine to the public on Sundays is to cater for two groups of people. The first group are the tourists who travel throughout the vineyards in the Swan Valley, Margaret River, Mt. Barker, and the Frankland area to sample Western Australian wines and to buy and take away those they like.

When we think about the tourist industry we have to bear in mind that this sort of activity takes place mostly on Saturdays and Sundays.

The second group of people are those who are enthusiastic about buying wines. They spend the weekend travelling throughout the Swan Valley and the south-west calling at vineyards to sample their wines and to buy stocks if they so desire.

The reason for allowing the sale of wines at vineyards on Sundays is to cater for these sorts of people. Therefore, we should provide hours which are satisfactory to the majority of them. The suggestion of the Minister to allow five hours is not adequate, bearing in mind that vineyards in the south-west are those creating a large amount of interest in wine circles. They are a long way from the city. We need hours as suggested in the Hon. Neil Oliver's amendment from 10.00 a.m. to 6.00 p.m. This would give people time to travel the long distances involved, because our vineyards are scattered over a wide area of the State.

The Hon. J. M. Berinson: A person would have to start at 4.00 a.m.

The Hon. N. F. MOORE: Under the Minister's amendment a person would have to take off at 1.00 a.m.

The Hon. J. M. Berinson: Is it really necessary to open as early as that?

The Hon. N. F. MOORE: If a person decided to tour the Margaret River area he might leave on a Saturday morning and arrive at midday in order to spend time visiting two or three vineyards to sample their wines. This would allow him to buy the wines he liked on the Sunday morning in time to return to Perth. The Sunday morning can be used to tour the rest of the vineyards, leaving time to travel home in the afternoon.

The hours suggested by the Minister would be inadequate for the type of trade we should try to encourage. We should encourage vignerons to operate under the section 6 exemption rather than to apply for a vigneron's licence. As I said a minute ago, that licence entitles the vigneron to sell wine for consumption on the premises whereas the section 6 exemption allows the vigneron to sell the wine for consumption only off the premises. It would be better if people did not drink large quantities of wine on weekends, but merely tasted certain wines before taking wine home with them.

The Minister is endeavouring to give the Licensing Court jurisdiction over an area in which it has not had jurisdiction previously. The reason for the exemption is to allow certain people to operate not under the requirements of the Liquor Act. The Minister is trying to give the court some authority over how such people should operate, whereas at present they are exempted. I object to the authority over hours which the Minister wants to give to the court.

The Minister spoke of trading hours during a Sunday being similar for all retailers of liquor. I do not think we can compare hotels, taverns, and clubs with vineyards. Hotels are places to which people go essentially to drink and then perhaps purchase liquor to take home. Hotels usually are in close proximity to consumers; people can get to a hotel easily. I venture to say that five hours a day is a sufficient period for a person to drink liquor. In that time he can drink his fill, but in regard to vineyards we are considering a different concept. Many people want to travel through the distant wine-producing areas of Western Australia to sample wine and then purchase it to take home.

I applaud the Government for suggesting the change to allow people now exempt under section 6 to sell wine on Sundays, bearing in mind the Bill does not include such a provision. However, I cannot accept for the reasons I have given that the hours suggested in the amendment are adequate. I think they would not go very far towards encouraging people to travel to our vineyards, particularly in the south-west, to sample the excellent wines available. That is what this matter is all about; to try to encourage people to experience the wine we produce. Giving people more time on Sundays to do that would be a step in the right direction.

The Hon. R. G. PIKE: I rise to put a question to you, Sir, because I am in a dilemma in regard to the question before the Chair. The substantive amendment moved by the Minister, and the one foreshadowed by the Hon. Neil Oliver, the Hon. Bob Hetherington, and the Hon. Norman Moore, perhaps will place me in a position of having to object to the amendment before the Chair. I have yet to hear the propositions of the three members.

I draw your attention to the part of the amendment which would delete the word "millimetres" and substitute the word "millilitres" as appearing in the Act. It seems we are drinking our grog by the metre or by the yard in the yard. I put it to you that if I vote against the Minister's amendment I would be voting against the substitution of the word "millilitres". I think the Committee would agree with that. Therefore I ask you to rule that the first section of the Minister's amendment be dealt with separately so that the Committee can correct the grammar of the Act before determining the rest of the Minister's amendment.

The CHAIRMAN: As I read the amendment, it is all one amendment.

The Hon. R. G. PIKE: I am aware it is, but I am asking you to rule that the parts of it be dealt with separately, otherwise the Committee may reject the amendment, as appears will happen, and we will be left with the word "millimetres" in the Act, which I do not think would be desirable.

The CHAIRMAN: I have had the opportunity to study the amendment and the clause as printed. It seems to me that from further debate the position could well be clarified, and for the time being I suggest the debate continue. The question is that the clause to be deleted be deleted.

The Hon. NEIL McNEILL: I want to endorse, although not in total, the remarks made by the Hon. Norman Moore. The first qualification relates to the member's commendation of the Government and the Minister for introducing the amendment. For the record it ought to be stated that this amendment was brought about because the Hon. Neil Oliver indicated that he would move an amendment to provide an opportunity to vineyard people to engage in some type of Sunday trading.

The Hon. N. F. Moore: I agree.

The Hon. NEIL McNEILL: Obviously the move by the Hon. Neil Oliver secured the endorsement of the Minister and the Government. They saw reasonableness in the concept that vineyard people ought to have the opportunity to sell wine in containers on a Sunday. For the moment I exclude the consideration of the trading hours. I am pleased the Government and the Minister took up the suggestion that vineyards ought to be able to operate on a Sunday for the sale of wine.

In the Minister's promotion of his amendment he indicated a number of sentiments. One struck me as significant and appeared to have regard to the need for uniformity or consistency in the hours of operation for liquor outlets. I remind him that he and I were on the same side during a discussion last night when we argued with some success the need for some consistency in legislation. In fact, there is a need for differences in this matter as a consequence of the different types of licences. I made some reference to that point and referred to consequences which have arisen for a number of commercial and historical reasons. Hopefully I have put to ground his argument about the need for consistency. The important point made by the Hon. Norman Moore is that the change proposed by the Minister is something quite logical in terms of section 6 of the Liquor Act.

Section 6 (1) of the Act in part states—

> Subject to subsection (2) of this section, nothing in this Act applies to—

That is a total exclusion because subsection (2) relates to the submission of returns in regard to liquor supplied by vineyards. Simply, subsection (2) relates to a record of the sale of wines produced by vineyards. I restate that nothing in the Act applies to the matters listed in section 6, and that provision was deliberate so as to exclude vineyards from being subject to the Act.

We must bear in mind that a very important principle is involved which I am sure many people would recognise, including the Hon. J. M. Brown as a spokesman for country people. Any person should have the opportunity to sell his produce on his own property. That sort of thing happens throughout the countryside and certainly in the south-west in relation to apples, pears, and other fruit. The situation applies also in a number of other areas. The essential ingredient, the essential factor in this matter, is the right of a producer to sell his own produce from his own property. This principle is enshrined in section 6, but the Minister proposes that the total exclusion be compromised by way of his amendment, and it would be compromised to the extent that the Licensing Court would be given certain powers.

Because we in this Parliament are discussing this matter I refer to section 6(1)(a) of the Act which states—

> the sale or supply of liquor in the Houses of Parliament, with the leave of, and under the control of, Parliament;

It does not say—

> except outside the hours or within the hours as permitted by the court;

I use that provision simply as an illustration.

The Hon. N. F. Moore: Touche.

The Hon. NEIL McNEILL: It is proposed to compromise the total exclusion, and that compromise may apply to other provisions in section 6. I do not believe the Committee would endorse such action in respect of other matters. I see no reason for our being asked to agree to any compromise in relation to producers. The principle relates to the historical background of the whole question.

A further aspect to which the Hon. Norman Moore adverted and is very important is that at some time or other members of this Chamber like to travel and in the course of their travels like to obtain local produce. Perhaps I should speak for myself in this regard. I like to buy the local produce of areas I visit. If one goes to

Scandinavia it is great to return with something one knows has been produced in Scandinavia, especially if it is from a local craftsman who has his name inscribed on it. If one goes to the Hunter Valley, as some members did recently, one likes to come back with produce from the Hunter Valley. The famous grapes of the Hunter Valley and its wine are examples. Having sampled the wine in such places we like to bring home with us packages of wine.

I do not mean to read a lesson to the Committee, but Western Australia has established a great reputation, in just a few years, for the production of wine. We have an international reputation of having a high standard of wines which is a consequence of the work done here. Many firms are involved in wine production. At the Expovin in Melbourne one of our south-west vineyards received an award for its cabernet sauvignon.

The purpose of this section of the principal Act was to make wines available for people to sample on the premises and to purchase wines if they so desired. It is not a case of retailing liquor as such; it is a matter of being able to have available the produce of the local districts.

There is no reason to change the hours which are already included in section 6 of the Act. Why should we change the hours? The Government and the Minister is seeking to infringe upon and compromise a number of aspects of the freedom presently available.

I will continue to support Mr Oliver's amendment, although I notice that he has suggested a change in the hours from 8.30 a.m. to 8.30 p.m. to 10.00 a.m. to 6.00 p.m. I feel there ought to be no alteration but if there is to be an alteration it ought to be one which provides hours which will cater for the tourist trade.

We are not talking about making provision for the drinking public because they are catered for by the hotels and taverns between certain hours on a Sunday. We are talking about something which is entirely different; therefore, why should we limit the hours? It will create a problem firstly, in regard to the policing of the hours, although it may be argued that it is already necessary for the hours to be policed from 8.30 a.m. to 8.30 p.m. I believe we should conform to the present hours.

Another fact which should be considered is that vignerons will need to come under the control of the court. The court will be involved, not only in the matter of licensing but also in the policing of the hours. Its essential involvement is control over the produce. However, these producers have no interest in being, or wish to be, retailers. They are very proud of their wines and they certainly wish to sell them as part of their business. They have pride in their work and are prepared to cater for the tourist who wishes to take away a sample of their produce. They do not wish to retail on their premises; they just wish to be able to provide wine sampling and be able to sell some of their wine.

I ask the Committee to give consideration to the amendment for the reasons I have outlined. I hope the Minister's amendment is defeated, and I think it ought to be defeated.

The Hon. J. M. BERINSON: At this stage, without committing myself one way or the other on the Government's amendment, I wish to put a genuine inquiry to the Minister as to the meaning of the clause he is proposes to insert; that is, paragraph (b) of the amendment.

It occurs to me that this may not mean what the Minister has in mind, even though what he has in mind seems to be accepted as a correct interpretation by Mr Moore, who objected to the possible intrusion of the Licensing Court into this general field. I think Mr McNeill had the same objection.

I read the proposed subsection rather differently and in my reading it seems to me that references to the court are superfluous. I will try to explain what I mean by my reading of the relevant parts of the proposed subsection leaving out certain irrelevant words. The result is the following—

> The Court shall, on the application of the occupier of a vineyard, authorise the occupier to sell and supply wine during a period applied for not exceeding, or two periods applied for not exceeding in the aggregate, five hours on Sunday other than Anzac Day; and may, on application, so made, vary an authority previously given under this subsection.

The amendment reads to me as a mandatory provision, instructing the Licensing Court that it shall authorise trading on the hours applied for. In which case, what are we going to the Licensing Court for? There seems to be nothing at all for the Licensing Court to do and the absurdity of the situation is aggravated by the final proviso which states that the court may, on application, vary the authority previously given. So, we have the worst of two possible worlds.

The Licensing Court has no function in respect of the original application; it is a rubber stamp. Yet, for some reason which does not strike me as altogether rational, an application to amend these

hours requires the court's proper consideration or agreement.

I am not being dogmatic but that does seem to me to be the effect of the clause as proposed and if I am correct it does not make sense. If the Government wishes to pursue the line of giving the court some authority, it should be giving some consideration to accepting an amendment in terms such as those proposed by Mr Hetherington. That amendment allows—as I understand, and I will make way for Mr Hetherington to explain his own amendment himself—the court to exercise some discretion in the matter.

If the Government wishes the court to have that discretion it should be looking to Mr Hetherington's form of amendment rather than its own. Finally, in support of the form which Mr Hetherington's proposed amendment takes, I will say only that it gives a wider discretion to the court than the Government is apparently willing to give it, and is not restricting it to five hours or any set number of hours.

Under those circumstances, it appears to me we would be in a better position to arrive at some conclusion which really does take account of local factors and of the real purpose of extending those provisions to the vineyard.

The Hon. R. G. PIKE: I rise to clarify a matter for the Chamber which deals with the question of millimetres and millilitres. I inform the Chamber that there is now no necessity to become concerned about millimetres and millilitres because the Bill before the Chamber substitutes millilitres for millimetres. There is no need for the first part of Minister's amendment which simply does the same thing again; thus my previous confusion. I now find it is in the Bill, so we do not need to be concerned about rejecting the Minister's amendment.

The Hon. R. HETHERINGTON: I think we should not worry about millimetres and millilitres because if we find, when we finish with this clause that an amendment is necessary, we would be happy to support the Minister in recommitting the clause in order to move that amendment. There is no problem there.

I think Mr Pratt has every reason to feel irritated with the Government over its proposed amendment because it is doing the very thing about which I argued and which I thought the Minister had argued in regard to liquor stores. We are now equating hours given to people other than hoteliers with those of hotels and it would seem to me that this is foolish.

Certainly the vignerons who wish to be able to sell sealed containers of wine are not providing any other service; they are not retailers. I do not believe they should be equated with anyone. The Minister's arguments about them not having the same hours as hotels is fallacious, particularly as they will not have the same hours because those hours can be varied.

I see no reason that the Licensing Court should not be brought in here. I think it is highly desirable so that if some of the fears of the Minister are correct, the court can have a look at them. I think it is a good position to examine what hours may be applied. It is highly desirable, as Mr Moore has shown, that there be some flexibility. I would think it is desirable to have a system whereby the court could say that the hours for the Swan Valley may be different from the hours in the south-west of the State.

The Hon. N. F. Moore: You want to limit it to five hours.

The Hon. R. HETHERINGTON: No.

The Hon. N. F. Moore: I apologise.

The Hon. R. HETHERINGTON: I suggest that the Hon. Norman Moore reads the amendment in my name. It says, "such hours". It deliberately does not say "five hours".

We should consider the whole situation and leave it to the discretion of the court to decide the appropriate hours in any given place. The amendment I have foreshadowed provides that "the court may"; it leave the discretion in the hands of the court.

If the Government had thought about this a little longer, it might have liked my amendment. It does exactly what Mr Masters wants to do. It brings in the court, and it gives a discretion to the court to fix the hours that best suit a particular area.

It is arguable that different areas might need different hours. During the debate the Minister suggested that in the Swan Valley the hours should not be too long. Mr Moore has suggested that in the south-west the hours might need to be little longer. Both of those arguments are attractive, and I would not like to make a decision on either of them off the top of my head. The court should be able to consider such arguments and such applications as are put before it, and then make a decision. Then it can vary its decision if it is desirable.

I believe in making gentle reforms slowly, at times. Sometimes we need to make radical reforms quickly; but in a case like this we need a body setting the hours of liquor outlets to

intervene quietly and set up a series of criteria which the Parliament can consider and accept or reject. The Parliament may decide that the system is not working. It might decide that it is working, but modifications are required. However, the Parliament allows the court the discretion to modify the hours.

The Hon. N. F. Moore: Are you suggesting the Parliament is not competent to suggest the hours?

The Hon. R. HETHERINGTON: No. I am saying that the Parliament is competent to suggest anything; but it would not be wise to suggest five-hour periods for the vignerons.

The Hon. R. G. Pike: A good use of language.

The Hon. R. HETHERINGTON: The Parliament would be wise to allow applications to the court, and then for it to consider the matter.

The Minister seeks a narrow, five-hour limit. Mr Oliver seeks to broaden it, but he has fixed hours. I seek to give the court the discretion to fix suitable hours between 12 hours and one hour on Sunday. I suggest that the court would not decide on either of those limits, but it would decide on a sensible number of hours.

We should be consistent in our inconsistency. We should not equate a vigneron operating under a vigneron's licence with a hotel which provides a different service. We should allow for some control, which the Government seems to think necessary. It would not be a bad thing if we allowed flexibility. It would be possible for the court to decide the appropriate hours for appropriate vignerons in approprate regions.

For this reason, I oppose the amendment moved by Mr Masters; and, if it is moved, I would oppose Mr Oliver's foreshadowed amendment, and hope that the Committee would, in due course, support my proposed amendment.

The Hon. G. E. MASTERS: I am sure the Hon. Neil McNeill did not make his remarks with any intention of misleading the Committee. Surely he had a misunderstanding of the Bill. I say that after listening carefully to him, because the proposal I put forward does not control the sale of a commodity. It does not control the right of a vineyard to sell its wine.

The amendment provides that the court shall give permission for the commodity to be sold.

The Hon. R. Hetherington: Very limited.

The Hon. G. E. MASTERS: In other words, the vineyard owner will have the right to sell the wine. However, we are seeking to control the hours in which that wine can be sold. We are not denying anyone the right to sell wine.

If the Hon. Neil McNeill has any doubts, he should refer to section 6 of the Act, to which clause 4 of the Bill refers. Section 6 lists a number of conditions, including days and times during which the wine can be sold. The comments of the Hon. Neil McNeill were unintentionally misleading. Perhaps he will reconsider his stand now.

I am not criticising the industry. I would like members to bear in mind that the Hon. Neil Oliver and I represent the major wine-producing area of the State. I have an understanding of and a feeling for the area. We are going to limit the hours in which a vineyard can sell its wine. If we extended the hours in which bottles and containers of wine may be sold, automatically we would be looking at extending the hours of the licensed vignerons. It would make it compulsory for the hours to apply to the sale of wines by licensed vignerons, and also to the sale of wines for consumption.

If we support the foreshadowed amendment of the Hon. Neil Oliver, we will be allowing wine bars throughout the wine-growing areas, including the Swan Valley, to be open at least eight hours a day.

The Hon. N. F. Moore: You are confusing the vignerons' licences with those people.

The Hon. G. E. MASTERS: I am not. There is no way that we can spread the hours of operation for the vineyards or the licensed vignerons.

My amendment will limit the hours for vineyards to sell containers of wine to five hours. The Licensing Court will have flexibility in determining which five hours they will be open. Then we will be looking to extending the five hours to the licensed vignerons.

If the Committee does not support my amendment and supports the amendment of the Hon. Neil Oliver, wine bars in the Swan Valley will be open for a minimum of eight hours every Sunday, whether we like it or not. We will not be able to do anything about that. Then we will be faced with a claim by the licensed clubs, the hotels, and the taverns which will want those hours.

The Hon. P. G. Pendal: And the bottle shops.

The Hon. G. E. MASTERS: That is a different principle. This is a very serious argument. It will make a colossal impact on the liquor industry in Western Australia.

My amendment will protect the industry by setting the hours and retaining the control we have now. Any extension of those hours will flow through to the licensed vignerons. Whether we

like it or not, they will want to open for eight hours. In the Swan Valley, the licensed vignerons and the wine bars will be open for eight hours; and it will apply slowly but surely to all other areas.

I am sure the Hon. Norman Moore will move an amendment on the next clause, so members have to consider the implications of this amendment. In the light of the Hon. Bob Hetherington's comments, this can be done slowly and surely. This is a major breakthrough for which the industry has been looking for a long time. If we do not go along with it, we will be jeopardising the licensing hours for Sunday trading.

The Hon. N. F. MOORE: The Minister talks about wine bars being set up all over the Swan Valley. He is making the classic mistake that people have been making during this debate. The only people who can open bars are those who take out a vigneron's licence.

The Hon. G. E. Masters: The $20 licence.

The Hon. N. F. MOORE: Yes. The people about whom we are talking now are covered by section 6 of the Act. They will be able to open between 10.00 a.m. and 6.00 p.m., to allow people to taste wine and then purchase it for consumption off the premises. There will be no bars.

The Hon. G. E. Masters: Are you saying the licensed vignerons will not ask for the same hours?

The Hon. N. F. MOORE: The clause provides that they will be given the right to open between the hours of 8.30 in the morning and 10.00 in the evening, at the discretion of the court. If it wished, the court could allow them to open from 8.30 until 10.00 on Sundays. I cannot see what the Minister is arguing about.

The Hon. NEIL McNEILL: Obviously the Minister realises that I did not make a deliberate attempt to mislead the Committee.

The Hon. G. E. Masters: I said I am sure it was a mistake.

The Hon. NEIL McNEILL: Mr Masters did not acknowledge the valid point that the Hon. J. M. Berinson raised in relation to the Minister's comment. He said that the court had no discretion. The Hon. J. M. Berinson said that was the reason for the amendment.

The Minister elaborated his charge against me, and he said section 6 of the Act contained provisions and other conditions. In case the Minister and other members of the Committee have not looked at section 6, let me say that nowhere in that section, except in subsection (2), is there any reference to the court. In fact, section 6 refers to "the powers granted under this Act". It does not refer to the powers, privileges, or anything else granted by the court.

Even in subsection (2), in which the court is mentioned, the onus is that any person "shall furnish to the court". That is not saying that the court has to do it; but the person has to provide something to the court. Section 6 of the Act has no requirement for the court to be involved, other than in the subsection to which I have just referred.

Sitting suspended from 6.00 to 7.30 p.m.

The Hon. NEIL McNEILL: For the sake of continuity, I will restate the points I was making. In response to the Minister's suggestion that I mistakenly or innocently mislead the Committee in relation to the use of the court and my interpretation of section 6, I rebut that suggestion and in fact almost take exception to it, because clearly there would be no intention on my part in any way to mislead the Chamber under any circumstances or to have such a misunderstanding as may be regarded or interpreted as being misleading to the Committee.

The Hon. G. E. Masters: I thought perhaps you had misread the particular section.

The Hon. NEIL McNEILL: I did not misread the particular section. To recap, I was reminding the Committee that on going through section 6 of the Act, as I have already done on many occasions previously, I find no reference to the court other than that specification to which I have previously alluded, which is in subsection (2).

The other point I want to make is that the bringing in of the court or its involvement in any way in the exercise of the powers of section 6 is incompatible with section 6 itself, apart from subsection (2); in other words, the Statute itself spells out the exemptions and their conditions, and not the court. Subsection (2) does not say the court "shall require"; in fact, it says "persons who sell liquor pursuant to the exemption provided by paragraph 8 of subsection (1) of this section shall furnish to the court . . ." In practice it may be regarded as having the same result, but there is a difference. That is again completely consistent with the intentions of section 6 of the Act.

What were excluded from the provisions of the Act, amongst other things, were the vineyards. As a number of places are concerned, and I have mentioned Parliament House; but more particularly the ones we are concerned with are the vignerons, those people who operate a vineyard of not less than 2 hectares and exercise

what is traditionally and historically a producer's right to sell his produce on his property. I hope the Minister takes the corrections.

The Hon. I. G. PRATT: I was very interested to listen to the Minister's plea made before dinner tonight.

The Hon. G. E. Masters: It was a reasoned argument.

The Hon. I. G. PRATT: It tore the strings of my heart when he pleaded with us to support his amendment that will give to vignerons without a vigneron's licence the right to sell packaged alcohol during a period of five hours on Sunday. He told us the reason for this was that these people should be able to sell packaged alcohol for five hours on a Sunday to bring them into line with the hotels. He says development is the reason that they should be brought into line with hotels.

We have heard arguments from the Hon. Neil McNeill that vignerons should follow as closely as possible the normal trading hours during the week; in his amendment before us he has possibly tightened those hours and they seem quite reasonable. We should have more information on why they should be brought into line with hotels.

Amendment put and negatived.

The Hon. NEIL OLIVER: I did not expect such a resounding defeat to the Government's amendment—

The Hon. G. E. Masters: It is embarrassing.

The Hon. NEIL OLIVER: —to occur so rapidly. I will catch my breath. I will say a few words in support of the amendment which I understand has been circulated to all members.

The CHAIRMAN: Is the honourable member moving an amendment? The Committee is not aware at this stage.

The Hon. NEIL OLIVER: I move an amendment—

> Page 2, line 6—Add after the passage "(1)" the passage "—(a)".
>
> Page 2, after line 8—Add the following new paragraph to stand as paragraph (b)—
>
> ; and
>
> (b) in subparagraph (iii), by adding after "Anzac Day" the following—
>
> "or outside the hours of ten o'clock in the morning and six o'clock in the evening on a Sunday, other than Christmas Day or Anzac Day"

I would like to declare to members that the demand for the tourist industry is there and has already been recognised by the inquiry. It quite clearly stated that the inability of a wine producer to sell bottled wine on a Sunday for consumption off the premises was detrimental to the tourist trade of Western Australia. Therefore, the demand already exists. This section of the Act is an exemption provision; I believe the exemption should apply. The Hon. Neil McNeill and the Hon. Norman Moore stated this categorically before the dinner break, so I will not dwell on it.

The other point I make is that the Hon. Neil McNeill referred to the "foot in the door". We are talking about primary producers who have grown and sold their produce for over 120 years from Monday to Saturday without any regulations whatsoever, except that they sell between the hours of 8.30 a.m. and 8.30 p.m. Here we have an opportunity to enshrine many of the aspirations that members have put forward and that the Hon. Bob Pike as chairman of one of our Select Committees has ably put forward in respect of our Government. Here is an opportunity for the Legislative Council to abide by the principles which it expounds. I trust that members will support my amendment.

The Hon. G. E. MASTERS: I am pretty upset with the lack of response over that last amendment. I thought at least I would have gained some support in the Chamber, but obviously the weight of my argument was not enough.

The Hon. Neil McNeill: It was weighty all right.

The Hon. G. E. MASTERS: It was weighty, but not weighty enough. I express my concern again over an extension of hours and I recognise hotels, taverns, and the like have been accepted because of the weight of numbers and the strength of feeling in the Chamber. I have to say that at least this amendment does contain the hours to some extent on Sundays although not as much as I wished. Having lost on the first point, I intend somewhat reluctantly to support what is a limitation of hours. Therefore I will not strongly oppose the amendment.

The Hon. J. M. BERINSON: I rise briefly to indicate that I propose to talk against this amendment with a view to attempting to pursue the amendment listed under the name of the Hon. Robert Hetherington. Mr Hetherington's amendment will permit an extension of hours but will bring the number of hours and the timing of those hours within the discretion of the Licensing Court. This does appear to be a half-way house, if I might put it that way, between the Government's original proposal and that which Mr Oliver is now putting to us, and I would appreciate some indication from the Minister as

to what would be his attitude to Mr Hetherington's proposal in the event of the present amendment not being carried.

The Hon. G. E. MASTERS: I have expressed my thoughts on the amendment before the Chamber and do not consider it proper or acceptable to discuss the Hon. Bob Hetherington's amendment. I would be out of order. Although I would very much like to do so, I do not think the Chairman would permit me to.

The Hon. G. E. MASTERS: I seek clarification as to whether we are still going to drink in yards, or are we now in litres? Has that matter been sorted out?

The CHAIRMAN: The Bill, as printed, has taken care of that and the reference to "millimetres" has been converted to "millilitres".

Amendment put and passed

Postponed clause 4, as amended, put and passed.

Postponed clause 22 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. G. E. Masters (Minister for Fisheries and Wildlife), and returned to the Assembly with amendments.

STAMP AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Leader of the House), read a first time.

Second Reading

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [7.50 p.m.]: I move—

That the Bill be now read a second time.

This Bill is designed to give effect to changes in rates of stamp duty in five main areas as outlined in the Budget speech. At the same time, it provides for a concessional rate of conveyance duty for certain home purchasers and for persons buying into a small business.

The first of the proposals is to increase the rate of stamp duty charged on all credit and rental transactions and on hire-purchase and credit-purchase agreements. The Bill proposes to increase the basic rate of duty on these transactions from 1.5 per cent to 1.8 per cent which, for short-term transactions, will mean a monthly rate of 0.15 per cent up to the maximum of 12 months, at which time the duty equates to 1.8 per cent overall, should the transaction run the full term.

It is proposed to apply the new rate to all transactions entered into on and from 1 December 1981, which is expected to result in additional revenue of $1.9 million in this financial year and $3.7 million in a full year.

Credit unions have enjoyed an exemption from the stamp duty charged on credit and rental transactions since 1971. The exemption was granted at that time on the basis that credit unions were non-profit organisations in the sense that they were a co-operative movement.

However, credit unions have grown in volume of business and in numbers, and now actively compete with other lending institutions for investments. They have also expanded their services and facilities to the extent that they are not readily distinguishable from other financial institutions.

In fairness to other financial institutions with which they compete, the exemption from stamp duty can no longer be justified. It is therefore proposed to abolish the exemption and so place credit unions and other financial institutions on a common footing. It is relevant that credit unions are liable for all other forms of stamp duty.

It is pointed out also that the recent increase in the declared rate of interest to 17 per cent, which is the level above which the duty is charged, will mean that most lending transactions made by credit unions will be outside the scope of the Act, as the majority of their transactions are still at interest rates below the declared rate. Consequently, the removal of the exemption will not mean any substantial gain to revenue. In fact, it is estimated to be only $38 000 in 1981-82 with $76 000 in a full year.

The second proposal seeks to increase the stamp duty charge on cheques and other bills of exchange, not chargeable at the *ad valorem* rate of duty, from 8c to 10c. This will place Western Australia on the same basis as all other States except Tasmania, where an increase to 15c has been announced recently. The present rate has been unchanged since January 1975.

It is proposed that the new rate will apply from 1 January, 1982 and it is expected that the increase will yield an additional $800 000 in 1981-82 and $1.7 million in a full year.

The third proposal is to introduce a new scale of charges for conveyances of property with a special concession for the genuine home purchaser and persons buying a small business.

The stamp duty currently charged on conveyances is $1.25 per $100 or part thereof up to a dutiable value of $10 000. For higher values the rate is $1.50 per $100 of the dutiable value in excess of $10 000.

The proposed new scale of duty lifts the basic rate to $1.50 per $100 or part thereof for dutiable values up to $80 000, to $2 per $100 from $80 000 to $100 000, with the rate progressively increasing to $4 per $100 for dutiable value in excess of $500 000.

It will be noted that the proposed increase in duty payable is minimal for values up to $80 000. Indeed, the duty payable on a conveyance of $80 000 will rise by only $25. On a conveyance valued at $100 000 the proposed increase in duty payable is still only $125, but of course the increased duty payable becomes more substantial as values increase above that level.

In constructing the new scale of duty, the Government has been conscious of the inflation of property values in recent years and has been concerned to avoid increasing the burden of duty on genuine home buyers and purchasers of small businesses. In part, this has been achieved by tapering the new scale of duty so that increased duty payable on values represented by the great majority of home and small business purchases is minimal. However, an additional concession is proposed which will have the effect of reducing conveyance duty paid in many cases, even compared with the present scale of duty.

The Bill provides for a rebate of duty to purchasers of a property which is to be used as the principal place of residence and for buyers of small businesses where the dutiable value is $50 000 or less. The proposed rebate of duty will reduce the rate of duty payable under the new scale from $1.50 per $100 of dutiable value to $1.25, which is the present rate of duty applying only to values up to $10 000. The effect of the rebate will be that duty payable on transfers of properties valued at $50 000 or less will be up to $100 lower than at present.

It will be necessary for purchasers who consider themselves eligible for the rebate of duty to lodge a statutory declaration with the documents at the time of assessment of duty. This will ensure almost immediate cash benefit to eligible persons. Examples of application of the rebate to eligible persons are as follows—

conveyance of $30 000—rebate $50
conveyance of $40 000—rebate $75
conveyance of $50 000—rebate $100.

Consequently, although the Bill proposes substantial increases in conveyance duty on higher dutiable values, many genuine home buyers and purchasers of small businesses will pay less duty than at present. Even on home purchases where the dutiable value exceeds $80 000 the additional duty payable is small in most cases.

The net effect of the proposed new scale of duty after allowing for the rebate will be to yield additional revenue of $5.5 million in 1981-82 and $11.3 million in a full year.

The fourth proposal seeks to bring the rate of duty on motor vehicle licences and transfers more into line with the rates charged in other States by increasing the duty from 75c to $1.50 per $100 or part of the value of the vehicle.

At present, the legislation sets an upper limit on the duty payable by fixing a ceiling of $20 000 on the dutiable value. No other State provides for a ceiling on the duty payable and, given the increase in value of many private and commercial vehicles in recent years, a considerable amount of revenue is lost in Western Australia because of this provision.

It is therefore proposed that no limit on the taxable value will be prescribed in future except in the case of trucks and buses where a ceiling figure of $60 000 is to apply.

However, it is pointed out that even at the proposed higher rate, the duty payable in Western Australia would be generally less than in other States with the exception of Queensland where a rate of $1 per $100 applies.

The new rates, which are proposed to operate from 1 January, 1982, are estimated to yield $4.4 million this financial year and $8.7 million in a full year.

The final proposal contained in the Bill seeks to increase the rate of duty chargeable on leases or agreements for leases.

The current scale of duty is 25c per $100 for one-year leases, 50c for one to three-year leases, 75c for a period in excess of three years and 50c per $100 for an indefinite term lease. All of these are calculated on the basis of annual rent. The practice in most other States is to charge duty at a specified rate on the total rent with varying arrangements made for indefinite term leases, which is a more equitable arrangement for dealing with leases of different terms.

Accordingly, it is proposed to base stamp duty in this State on total rent for definite term leases

at the flat rate of 35c per $100 of total rent payable.

In the case of indefinite term leases it is proposed to retain the present basis of assessment on the annual rent at a new rate of 70c per $100. A lease for less than one year is to be charged at the same rate as any other definite term lease on the imputed rent for one year. This retains the current practice and deters artificial avoidance schemes.

It is proposed that the new rates will apply from 1 January 1982, with an expected additional revenue yield of $250 000 in 1981-82 and $500 000 in a full year.

In all, the additional revenue to be gained from the measures will raise an additional $13 million in the current financial year and slightly in excess of $26 million in a full year.

The additional revenue is essential in the current financial situation to maintain the level of services which the Government is bound to provide for the people of this State.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Berinson.

BUSINESS FRANCHISE (TOBACCO) AMENDMENT BILL (No. 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Leader of the House), read a first time.

Second Reading

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [8.01 p.m.]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to increase the present *ad valorem* licence fee relating to sales of tobacco products from 10 to 12.5 per cent.

Although the proposed move from 10 per cent to 12.5 per cent seems a significant increase, it should be borne in mind that this is the only adjustment that has been made to the fee since the legislation was enacted in February 1976, some 5½ years ago.

Currently, the legislation provides for the licence fee to be determined as a basic bi-monthly licence fee of $20 plus 10 per cent of the value of tobacco products sold by the licence holder during a specified period.

Members no doubt will recall that earlier this year, the previous basic annual fee of $100 was changed to a bi-monthly amount of $20 with the conversion of the annual licensing period to a bi-monthly system.

It is proposed that this legislation will apply from 1 March 1982. As this operative date coincides with the commencement of the new bi-monthly licensing system, it is therefore the most appropriate date.

As the legislation now stands, any licence to be issued for a bi-monthly period commencing on or after 1 March 1982, will be based on sales made in a preceding period of two months.

For the licensing period commencing on 1 March 1982, the licence fee is based on sales of tobacco products made in December 1981 and January 1982, and the fee is payable by 15 February 1982.

Consequently, it is to be expected that licence holders will seek to recover the additional licence fee in the price charged for tobacco products on and after 1 December 1981.

The increased licence fee should result in additional revenue of $1.4 million for this financial year and $2.8 million in a full year.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. F. E. McKenzie.

METROPOLITAN MARKET AMENDMENT BILL

Second Reading

Debate resumed from 27 October.

THE HON. J. M. BROWN (South-East) [8.04 p.m.]: The Opposition supports the Bill before the House. The legislation is to cover the wholesale marketing of fresh fruit and vegetables within a 70-kilometre radius of the Perth GPO. There is very good reason for such legislation.

The Metropolitan Markets are the only markets we have in Perth for the wholesaling of fresh fruit and vegetables. As the Government said, there is no reason to alter this policy of one market for the city because the population is insufficient for two such markets.

It is satisfactory to see that the area will be clearly defined by the Lands and Surveys Department. It is a good idea to define the area clearly so that there is no confusion such as may arise when such a matter is left to be spelt out in a schedule.

The Bill will give the Metropolitan Market Trust control over the wholesaling of fresh fruit and vegetables in the prescribed area. It will not interfere with the existing bazaar-type markets at Fremantle and Midland.

The Bill proposes to increase the maximum penalties for offences against the Act in line with present-day values. The maximum penalty will be increased from $100 to $400, and this increase is consistent with other legislation which has passed through this House.

Perhaps the Minister and members of the House will be aware of some representation about the trust made to the Government by the people of Carnarvon. This matter was raised in another place. As I am from the country I sympathise with country people who seek representation on boards and instrumentalities. Country people do not have a great deal to say about the way marketing is controlled.

I have read the Minister for Agriculture's reported comments on this matter, and it appears that he is considering increasing the membership of the trust from five to six or seven. It has been asked whether any additional representation should be from a defined area such as Carnarvon, and I feel we should appreciate the particular importance of this town. Members who represent the area understand that the importance of Carnarvon is not only that it produces a great many bananas, but also that it can supply produce to our markets out of season. Therefore, the growers of Carnarvon believe they should be represented. No doubt members of this House have attended meetings called to discuss this subject, and I know consultations have taken place between the Minister of Agriculture and the Deputy Premier.

I support the principle of country representation on boards and trusts, and particularly in the case where an area such as Carnarvon makes such a solid contribution to the viability of the market. The request of the growers is not an unreasonable one and, as I said, it will be considered by the Minister for Agriculture in the future.

The representations on this matter have come from the producers and the local authority. No doubt the matter has been well canvassed because the local growers thought such a proposal could be considered while this legislation is before us. The proposal was not agreed to by the Minister for the reason that the trust is going through a period of development, and he could not see his way clear to alter its composition at the moment.

It is pleasing to note that consideration is being given to the matter of additional members on the trust. I hope the people from the Carnarvon district are successful in their request. If agreed to the proposal will take nothing away from the present members. I understand that the Secretary of the Vegetable Growers Association (Mr W. A. Stevens) represents that association on the trust. He is certainly a worth-while grower representative. No doubt the other members of the trust are fulfilling their functions.

I am sure members all agree that since 1929 the Metropolitan Markets have been ideally situated to serve the metropolitan area, the producers, and the consumers. The idea of giving the trust unilateral control over a defined area is a sound and proper one.

One other matter referred to in the Bill is that of the representative of the Perth City Council. It is now to be obligatory for such a representative to be a current serving member of the PCC. A past councillor or a councillor who has lost his seat may not continue as a member of the trust. This is a sound and progressive move and a principle that could be followed in regard to other boards in this State. It should be stipulated that members who obtain positions on boards because they are members of local government—and remember that local government is the third arm of government—can no longer be members of the board if they retire from local government or if they are not re-elected.

Point of Order

The Hon. R. G. PIKE: I rise on a point of order, Sir. When we are dealing with an amendment to the Metropolitan Market Act, I submit that membership of other boards has nothing to do with the question before the House. The member is merely using the Bill before us to score cheap political advantage. He should restrict his comments to the Bill and not comment on other extraneous matters.

The PRESIDENT: I ask the member to confine his remarks to the Bill.

Debate Resumed

The Hon. J. M. BROWN: Section 4 of the principal Act is to be amended. Clause 6(b) reads as follows—

> Where the person appointed by the Governor to the office of member of the Trust on the nomination of the Perth City Council ceases to hold office as a councillor of that Council the office of member of the Trust held by that person becomes vacant.

That is clearly set out in the Bill. I did not mention this matter for cheap political gain. It is a sound, well spelt out requirement that to be a member of the trust a person must be a current member of the PCC.

In my opinion this principle should be spelt out clearly in all types of legislation, and it is pleasing to see the Government introduce it here. I did not make an attempt to gain any political mileage because I would not seek such gain at the expense of honorary members of local government. Councillors do not receive any remuneration.

It is a forward step for the Government to spell out this provision, and I believe the principle should be carried into other legislation where a qualification of membership of a board is membership of a local government authority.

I do not think the Government would introduce such a provision if it were not its policy. We on this side of the House have the right to comment on what the Government is doing because the Government sets the pattern. The pattern which has been set in this legislation is endorsed by members of the Opposition.

The Hon. F. E. McKenzie: Maybe the Government will amend the Water Board Act, too.

The Hon. J. M. BROWN: Perhaps that is what the Hon. Robert Pike was thinking of when he referred to a cheap political gain. The Government is establishing a matter of principle in this legislation, and it is a move in the right direction.

As I said, the producers in Carnarvon put forward a valid proposal to have representation on the trust. I know we are not dealing with membership of the trust but with a Bill dealing with amendments to it. One amendment is for it to advertise its wares and this will be of benefit to the producers and the consumers.

I recognise what took place in the debate in another place. Bearing in mind that country people do not get a great deal of say in the community, I point out that the Carnarvon growers produce vegetables valued at around $8 million a year, and it must be realised that the trust would gain extra income by these growers going through this market. They supply goods at a time when other parts of the State cannot do so. I indicate to the Minister representing the Minister for Agriculture that I am in favour of extending the board. I do not think it would inhibit its operation.

We support the Bill.

THE HON. P. H. LOCKYER (Lower North) [8.16 p.m.]: I support the Bill. I do not think I should let the Bill pass without making some comment on its background. When it was introduced in another place some provisions in it did not suit the growers of Carnarvon. In fact, when the Hon. Norman Moore and I took the Bill and the Minister's second reading speech to those growers they expressed grave concern about the wording of the Bill.

One of the problems was the necessity for some growers to deal direct with certain organisations in the metropolitan area, such as Sumich and Sons in Fremantle. The Bill did not point out that this would still be possible; it was quite a grey area.

I am happy to say that the two grower organisations in Carnarvon, along with the very active shire council, combined to meet not only with the Minister for Agriculture but also with members of the Metropolitan Market Trust. It was the Minister's co-operation that enabled everyone to sit down in a sane manner and discuss the issue. The Minister sensibly and responsibly introduced amendments in another place, which now satisfy the growers in Carnarvon.

Another point was that there was the possibility that growers in Carnarvon, at some stage, might like to set up their own wholesale floor. The Bill precludes no-one from doing so although it does preclude anyone from setting up a market similar to the metropolitan markets. I pay tribute to the Minister for the way he listened to the growers and then took action to meet their requests. It was a step in the right direction.

I support the Hon. Jim Brown's comments about a Carnarvon representative on the trust. However, I see the problems which the Minister mentioned with such an appointment. It is well recognised that Carnarvon is some 1 000 kilometres from Perth and has a sense of isolation which is different from that of many other areas. However, other areas are some distance from Perth; Kununurra, which is a growing plantation and vegetable growing area, is one of them; Pemberton is another.

The idea of a regional representative could well snowball and everyone would want a representative on the trust. Nevertheless, it is of concern to Carnarvon growers that they do not have a representative. This concern is also held by the shire. It recently consulted with the Minister for Agriculture and the Deputy Premier to put forward its point of view. The Minister has not dismissed these requests out of hand but has said he will keep the situation under review. I hope he does. It is a strongly felt concern in the area. The vegetable growing area in Carnarvon is getting bigger all the time. A lot more growers will use the metropolitan markets and will expect to get the best prices for their produce.

One problem is consultations between the growers and the Metropolitan Markets people,

the people who sell the growers' produce. I am sure these people will take into consideration the idea of consultation following the meeting the growers had with the trust. They are hopeful that more consultation will take place.

The Bill properly tidies up the Metropolitan Market Act. It is important that the market is protected because, as the Minister said in his second reading speech, it is estimated that the minimum population to sustain a wholesale market is about 700 000 people. An area of 70 kilometres is a fair size.

Another important point is that the Bill is designed to maintain the right of producers to sell by private treaty and direct to shops. It would be unfair if people were restricted in the way they can sell their produce.

I support the Bill in its amended form. It is a good Bill.

THE HON. N. F. MOORE (Lower North) [8.22 p.m.]: I support the Bill and the comments made by the Hon. Phil Lockyer, who so capably expressed the point of view of the Carnarvon people. I congratulate him on the excellent way he represented the interests of the Carnarvon growers to the Minister. I was unable to attend the deputation but I understand my colleague represented their point of view in his usual quiet and gentle way. I am pleased to see the Minister was prepared to amend the legislation to accommodate the requests made by the Carnarvon growers and the Carnarvon Shire Council.

The Bill places beyond doubt the ability and the right of organisations to sell by private treaty and it clears up the concern and doubts which the Carnarvon growers had.

As to the Carnarvon growers having a representative on the Metropolitan Market Trust, I can understand that the Minister is somewhat reluctant to agree to their request at present; but he can be assured we will continue to press their point of view in the hope that some time in the future he may accept their arguments.

I support the Bill.

THE HON. D. J. WORDSWORTH (South—Minister for Lands) [8.24 p.m.]: I thank the Opposition for its support of the legislation. I thank the Hon. Phil Lockyer and the Hon. Norman Moore for their explanation of the representations they have made to the Minister on behalf of the Carnarvon growers and the subsequent amendments made in another place to put beyond any doubt the ability of a grower to wholesale his own produce. In this case it is produce which has been carted down to Perth by a co-operative which has set up a base at Kewdale where the produce can be marketed if so desired.

It is important to understand the representation of the board, of which there are just five members. The Government's nominee is Mr Caddy, who is chairman; there is a grower representative, Mr Stephens; another Government representative, Mr Mercer; the Perth City Council nominee, Councillor Silbert; and a consumer representative, Mr Brindle.

The Carnarvon growers have requested that they provide an additional member, but the Minister has said that his reasons for not agreeing to their request at this stage—he is leaving the matter open—is that once we start district representation it will be difficult to know where to stop. The growers from Carnarvon are certainly more distant than are other growers; but growers from Manjimup and Kendenup also are some distance from Perth. Then again, we have the areas of Wanneroo and Jandakot and there is a growing vegetable area down towards Harvey and Bunbury.

Rather than move into this difficult area of having district representation, the Minister has preferred to keep with the present five members. I remind members that the trust members do not run the auctions themselves; they really only control the facilities, which they lease out to agents. There are five major agents and a number of smaller ones. Sales are held mainly on three days a week but produce can be sold five days a week. Produce is going through all the time, even if it is not being auctioned. Much of our export sales are made at the market without having the produce actually brought in and physically auctioned.

It should be remembered we do have a Western Australian fruit and vegetable industry advisory committee on which the Carnarvon growers are represented along with other growers. The following is a list of organisations and groups represented on that committee: The Chamber of Fruit and Vegetable Industries; the Metropolitan Market Trust, which is represented by both the chairman and the secretary; a market buyer; a direct buyer; two fruit growers; the WA Vegetable Growers Association; the Carnarvon Fruit and Vegetable Growers Association; the Department of Agriculture; the WA Potato Marketing Board; and the Market Growers Association. Members will understand that is a broad spectrum of buyers and sellers who can advise the Minister on the marketing of fruit and vegetables.

Both Mr Lockyer and Mr Moore mentioned other matters about the marketing of products from Carnarvon.

This Bill is a very necessary change to the Act and it follows a report by the WAIT-Aid committee. It is a large report. It had input not only from the growers but also from the metropolitan town planning committee and others. The decision was made that the market was quite capable of being maintained where it is, certainly for this century. It was said there was no need for any other venues for the wholesale auctioning of fruit and vegetables.

The normally accepted guideline in the world is that a population of 700 000 is required to maintain a market. In Perth we have about that number of people; therefore, it will be a long time before we have a second market.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by the Hon. D. J. Wordsworth (Minister for Lands), and passed.

WORKERS' COMPENSATION AND ASSISTANCE BILL

Second Reading

Debate resumed from 27 October.

THE HON. P. H. WELLS (North Metropolitan) [8.33 p.m.]: I rise to support the Bill. It has many new innovations in it. The Government has proposed many new moves, most of which have been highlighted. Some of them include an increase in the indexation of payments to dependants of workers' compensation recipients. Certainly in regard to industrial disease compensation, great changes will be made and benefit will flow to workers. The Government has accepted certain principles inherent in the Dunn report.

The Dunn inquiry considered problems associated with workers' compensation and suggested amendments to the legislation. The report recognised that improvements should be made to the benefit of not only employees, but also employers. To that degree I believe there has been an acceptance that we need a slight slowing down of increases; that we were becoming out of kilter with the proper situation and that pertaining in other States.

It is appropriate that there will be the 65 years of age cut-off point. The onus for the payment of old-age pensions rests with the Federal Government; it has the responsibility for pensions which to date have been paid by insurance companies of this State. The provision relating to that cut-off point is merely a tidying-up of the legislation. The New South Wales Government has a similar provision in its workers' compensation legislation and has had for some time. Certainly this is the first time we will have such a provision, but it can be seen that the principle is accepted in other States. Workers' compensation should not be regarded as a pension.

The Bill makes certain changes in regard to workers' compensation paid to people suffering from industrial diseases. They will be provided with options they have long sought. The other night the Hon. Howard Olney made reference to the advantages of this provision and acknowledged that it is an advance in the legislation.

Over 20 years ago I worked in the mining industry. At that stage the industry sought the payment of lump sums as compensation for industrial diseases. Apparently such a change was not brought about by the Labor Party after pressure had been applied to it by the unions, and I believe it was in 1973 that it introduced workers' compensation legislation. Lump-sum payments were not brought about, irrespective of the attitude of the Hon. Claude Stubbs, the Labor member representing the area of Norseman. In those days he was responsible for getting my name on the electoral roll.

The Hon. J. M. Brown: He represented South-East Province.

The Hon. P. H. WELLS: That is correct. The mining industry unions keenly sought recognition of lump-sum payments, and this legislation now recognises those payments as an option which workers in the mining industry may obtain.

The Hon. J. M. Brown: It is after 65 years of age.

The Hon. P. H. WELLS: That is correct.

The Hon. J. M. Brown: You should get lump-sum payments before 65. If someone contracts pneumoconiosis before age 65, what does he do?

The Hon. P. H. WELLS: The member must accept that the legislation will provide such people with better opportunities than they had before.

Such people will have everything they have always had, plus three options.

The Hon. J. M. Brown: I think you should spell it out.

The Hon. P. H. WELLS: I have highlighted this matter because the mining industry unions argued in favour of lump-sum payments for many types of injuries. The Government has given due consideration to the matter.

The Hon. J. M. Brown: What about the Dunn report?

The Hon. P. H. WELLS: I will refer further to that report. The unions went to great lengths to put lies to workers in relation to the provisions for weekly payments and whether those payments would be 80 per cent or 100 per cent of a worker's normal wage. I have a union brief sheet before me which indicates what one union wanted its members to consider. The union argued that the legislation would provide for only an 80 per cent payment of normal weekly wages.

The Hon. J. M. Brown: Is it 80 per cent, or 85 per cent?

The Hon. P. H. WELLS: The sheet refers to an 80 per cent payment.

The Hon. J. M. Brown: The Dunn report said 85 per cent.

The Hon. P. H. WELLS: I am saying that the brief sheet in my possession indicates that the union in question said that the Government would bring in a provision to provide for an 80 per cent payment, but the Government has not done that.

The Hon. J. M. Brown: It was seriously thinking about it.

The Hon. P. H. WELLS: At no stage did the Government say it would introduce an 85 per cent payment.

The Hon. J. M. Brown: They were seriously thinking about it.

The Hon. P. H. WELLS: Certainly the Dunn report referred to an 85 per cent payment, but this legislation does not. When the Government first brought in this legislation it stated that it would not introduce payments of less than 100 per cent. I gather that the reason the union movement was concerned that the Government might bring in a provision for a payment of something less than 100 per cent is that workers' compensation legislation across Australia provides less than 100 per cent.

I will refer to the legislation existing in other States as at 1980. This legislation gives a State-by-State breakdown of the situation across Australia. The New South Wales legislation is reported as providing—

> For the first 26 weeks the worker receives the weekly rate of wages provided by his award or an award covering the nature of his work. If no award can be applied the sum of $167.73 is payable.
>
> Thereafter a maximum of $96.30 and for adult males a minimum of $66.

That indicates New South Wales accepts less than a 100 per cent payment and less than that which we provide. Certainly New South Wales does not have a Liberal Government. The Liberal Government in Victoria prescribes a set amount. Its legislation is reported as providing—

> $105 adult
> $78 minor
> or
> WAWE whichever least.

The Queensland legislation is much the same. It is summarised as follows—

> For the first 26 weeks the worker receives the weekly rate of wages provided by his award or agreement or in cerain cases his contract of services (80% of the wage specified in the contract of service is payable where that wage exceeds the rate for a fitter in the Mechanical Engineering Award, subject to a minimum payment of the fitter's rate) or the basic wage plus certain allowances for dependents, whichever payment is greater.

The ACT legislation provides—

> For the first 26 weeks, equivalent of full sick pay or worker's normal weekly earnings, whichever is greater.
>
> Thereafter, $99.33 or WWE if less than $99.33.

The Northern Territory legislation adopts the principle of a 100 per cent payment for the first 26 weeks and a payment of $80 a week thereafter. This Government has accepted that a 100 per cent payment be made in light of the comparison with other States. Legislation in other States certainly provides for payments of less than 100 per cent—they are very much the norm.

I wish to refer now to prescribed amounts, because the circumstances surrounding them were queried by certain members. The Hon. Howard Olney mentioned 8 per cent in regard to a prescribed amount. It is not correct to say that the prescibed amounts and lump-sum payments provided by this legislation are far removed from those in other States. Mention may have been made of 5 per cent, but I did hear 8 per cent

referred to. The amount in other States is relevant because we must compare like with like.

If one wishes to compare a whole range of other things, one realises that this State has led Australia in terms of workers' compensation legislation. If we consider the history of workers' compensation, we realise that Western Australia has been the leader in terms of recognising payments to chiropractors. Schedule payments to chiropractors are mentioned in the legislation. Not only was this State the first to recognise that principle, but also the first to introduce workers' compensation legislation that gives recognition to chiropractors generally. Only two States recognise chiropractors in workers' compensation legislation, and one State allows for workers' compensation payments to cover visits to chiropractors on the condition that the employer approves of the visits. The State to join Western Australia was New South Wales, but other States have not done so.

I want to raise another matter which relates to the lobbying chiropractors have undertaken. Most certainly chiropractors have gained acceptance within the community. In fact, members may have received a submission from chiropractors which sets out their views. In one part of the submission it is stated—

> No other health professional is as well qualified by his general training to carry out diagnosis for spinal mechanical dysfunctions or to perform spinal manual therapy.

In reports I have read such as the Canadian and New Zealand reports, and a large number of other reports, it certainly is a fact that chiropractors are accepted by the community.

In regard to the dispute surrounding this legislation and particularly in regard to newspaper reports, I will point out two things. It can be seen from the legislation that Western Australia was the first State to introduce in the schedules payments to chiropractors, and in the Bill before us provisions have been included to allow chiropractors to appear before the Workers' Compensation Board when disputes are heard.

If we refer to section 128 of the Act we will note that it refers to medical practitioners. It states that medical practitoners may be brought onto the board. One of the initiatives in the legislation allows chiropractors to be brought onto the board and this is covered by proposed new subsection 128(4), which reads as follows—

> (4) When holding an inquiry under this section into the conduct of a chiropractor the Board shall comprise, as well at least as its own quorum, 2 chiropractors nominated by the Chiropractors Registration Board constituted under the Chiropractors Act 1964, and appointed by the Governor.

Clause 3 provides a similar thing for dentists and clause 5 covers physiotherapists. I believe that is an important step because it recognises that authority and, where chiropractors are in dispute, a fair case may be heard. It is possible for a chiropractor to appear before the board and put forward the case of the chiropractors.

I understand there are two areas which are under dispute; the first is the definition of "chiropractor." which in the Bill reads—

> "chiropractor" means a person who is resident in this State and is registered as a chiropractor under the Chiropractors Act 1964 and holds a licence to practice chiropractic issued by the Chiropractors Registration Board constituted under that Act and who is approved by the Commission to practise chiropractic for the purposes of this Act;

People have said there should be no provision for the board to approve chiropractors to work in the field of workers' compensation, despite the fact that the Chiropractors Act defines the meaning of "chiropractor". As follows—

> "chiropractor" means a person registered as a chiropractor under this Act;

The definition of "chiropractic" under the Chiropractors Act is—

> "chiropractic" means a system of palpating and adjusting the articulations of the human spinal column by hand only, for the purpose of determining and correcting, without the use of drugs or operative surgery, interference with normal nerve transmission and expression;

With my limited study of chiropractic I would not set myself up as being able to discuss the field of chiropractic. I have read the report of the New Zealand committee and of the Canadian experiences, where chiropractic has been in force for some 30 to 40 years. However, we are dealing with the Workers' Compensation Act and not the Chiropractors Act.

I believe that the insertion of the clause which refers to the practice of chiropractic "for the purposes of this legislation" is a responsible move. However, the chiropractors do not agree, they are opposed to it and have expressed many views in opposition. One example they gave was that in Canada the system has worked very well. Chiropractors have worked in the workers' compensation field in Canada, and the New

Zealand inquiry recognised that chiropractors tend to get people back into the work force quickly.

I notice that the New Zealand inquiry referred to the practices of chiropractors in Canada. The inquiry noted that where the chiropractic board in Canada had been informed of a complaint by the workers' compensation authority, it had instituted an inquiry into the practices of the person concerned and had, on a number of occasions, taken disciplinary action. It appears that the system has worked very well in Canada. The New Zealand Select Committee felt that chiropractors had a right to work in the workers' compensation area.

The chiropractors have lobbied to a great extent and have stated that it would be workable to include them as it has been working well elsewhere.

I believe we will see great changes in terms of the acceptance of chiropractors. I have been disturbed by the fact that chiropractors and medical people do not seem to be able to talk to each other. That fact was highlighted by almost every report I have read. Some medical practitioners believe that chiropractors should not be accepted.

In this State we have 34 registered chiropractors, with seven or eight who have been covered under the grandfather clause. In other words, they have not done the courses which are now laid down but have acquired skills which have been recognised.

The New Zealand report highlighted the problem of doctors not accepting chiropractors, as did the Dunn report. The New Zealand Select Committee of inquiry went a little further in one of its recommendations by saying that legislation should be introduced to make it illegal for a doctors' association to require doctors not to refer patients to chiropractors.

I am certain that in years to come we will have to look at the chiropractic situation because chiropractors are making a contribution to the community by returning people to the work force more quickly than other methods of treatment.

From my research and discussion with employers, I have ascertained that they feel they should have the right to refer a person to a chiropractor in the same way as they have a right to refer a person to a doctor. It was stated that very often a worker had a back complaint and a chiropractor was the best person to handle that injury.

Even though I feel a chiropractor is the best person to help a worker with a back injury, I do not accept the argument put forward in the Press by chiropractors which stated that the many forms in workers' compensation claims are evidence of their acceptance in writing off work certificates.

When schedule 17 was amended to include chiropractors, the insurance people spoke with the chiropractors and indicated the way in which they received reports from other professionals. The forms inserted in *The West Australian* by the chiropractors do not conform with the regulations of the Workers' Compensation Act; they are certainly not legally binding.

If a worker has an accident at work and goes to a chiropractor and has no time off, there is no problem because schedule 17 recognises that he is covered for payment for this. It is a first certificate only which must be signed by a medical practitioner.

Under this legislation, a first off work certificate must be signed by a medical practioner. Section 18 of the Health Act states—

> . . . no certificate required by any Act now or hereafter in force from any physician, surgeon, licentiate in medicine and surgery, or other medical practioner, shall be valid unless the person signing the same be registered under this Act.

A chiropractor does not have the authority to sign that sort of certificate. Despite that fact, there have been many cases where there has been an agreement between the insurer and the employer that a chiropractor may sign a first certificate. I have been told that a number of insurance companies are doing this and I see no reason that practice should not continue if an employer decides it is acceptable.

I am sorry that the chiropractors have placed such an advertisement in the newspaper because it detracts from their high standing. Chiropractors have achieved a great deal in the community but I believe they must adopt a higher standard and be more professional. They should not place incorrect statements in the newspaper. Chiropractors have a hard job because so many people have mistrusted them. However, they are certainly achieving results, especially with people who have back injuries. It seems that is their area of expertise.

From my reading of the Act it seems that a person who has a first certificate from a medical practitioner, may go to a chiropractor if he so wishes.

The Dunn report made a recommendation that the proposal for only one insurance carrier should not be approved. The comment was as follows—

> The most far reaching of the submissions made to the inquiry was that the present system of multiple insurers be abolished and an independent authority be established to be the sole insurer for workers' compensation in this State.

The Dunn report continues—

> The only support for this proposal came from the Pain Relief Clinic of Sir Charles Gairdner Hospital and the Teachers' Union.
>
> It was opposed by the employer organisations, I.C.A., The Insurance Brokers, the Orthopaedic Association, and Bunning Bros.

Of the submission of the SGIO, the Dunn report has this to say—

> In its formal written submission, S.G.I.O. expressed approval of the principle of a central insuring authority. In the presentation of its case and in evidence before the Enquiry, S.G.I.O. did not advocate an independent authority. It would be happy with a single authority if S.G.I.O. was that authority, but otherwise it favoured the retention of multiple insurers.

One of the reasons put forward to support the single insurer concept was that of economics. The report states that it would enable insurance to be provided at less cost; I do not believe it would. The report continues—

> It was further suggested that a sole insurer would not need to pay commission to obtain business. Consequently there would be a saving of at least $1.34 million on the same premium income. That such a saving might be made is true. But for some reason or other, commissions are paid by sole insurers. Presumably there must be a good reason for it. S.G.I.O. pay commission for general accident workers' compensation premiums paid by mining companies, although it is the sole insurer for such companies.

It goes on to point out the situation in Queensland in the following terms—

> Commission is paid to insurance brokers by S.G.I.O. at a higher rate than the standard scale set by the brokers. Commissions are paid in Queensland, albeit on a much smaller scale than in W.A.

It also refers to the situation in New Zealand as follows—

> In New Zealand under the title of "Revenue collecting agency fee" some 3.12 per cent of gross premium income is paid out.

Another of the reasons given was the elimination of disputes between employers and insurers. The Dunn report continues—

> That disputes between insurers would be eliminated is unquestionable and it would certainly be a good thing if that was achieved. But disputes with a sole insurer cannot be eliminated, and indeed, the proposal contemplates the retention of the Board for the purpose of resolving such disputes.
>
> In New Zealand there is a three-tier structure for dealing with disputes . . .

If members read the remainder of that report they will realise a single insurer will not necessarily remove disputes.

Another argument was that it would facilitate the more efficient handling of claims. The report makes the following statement—

> If the one insurer maintained its efficiency then this claim could be correct. There is no certainty that this would be so. The general result of monopolies is that they create more problems than they solve and that is why private monopolies are not tolerated. Public ones generally are not more successful. A sole insurer would create the grave risk of loss of personalisation and of becoming bureaucratic.

The Hon. H. W. Olney: Are you suggesting that the Motor Vehicle Insurance Trust is in the same category?

The Hon. P. H. WELLS: I am pointing out to the House that the Dunn report rejected the single insurer concept. I reject that a monopoly is the answer. I mentioned that a Select Committee in Tasmania had rejected this concept.

The Hon. H. W. Olney: Your Government rejected it, and the Opposition has rejected it, so what are you raving about?

The Hon. P. H. WELLS: I understood that the Hon. Howard Olney made a point about single insurers in his speech. Even if he did not, a concerted campaign has been waged by the TLC within the business community in my electorate arguing that massive benefits would flow from a single insurer concept.

The Hon. F. E. McKenzie: Yes, it would cut down costs.

The Hon. P. H. WELLS: It was argued by the TLC that it would avoid the payment of commissions. I am simply pointing out to the House that even in places where there is a single insurer, and in this State where the SGIO is the single insurer for a certain area, the cost of

commissions is an inherent part of the cost structure.

The other argument related to private insurers going into liquidation. The interesting fact here is that we have a Premium Rates Committee. The Dunn report commented on loss ratio in the following terms—

> In fact, in WA and Victoria the loss ratio is 75%, whereas in Queensland it is 70% . . .
>
> So a loss ratio of 70% means the premium is set to provide $70 in every $100 for payment out in claims and $30 for administration and profit. A loss ratio of 75% means $75 for payment out on claims and $25 for administration and profit.

The multiple insurers of this State are doing a lot better in the loss ratio area.

The Hon. H. W. Olney: You are not comparing two like things.

The Hon. P. H. WELLS: I am simply reporting what the Dunn committee had to say in this area.

The Hon. J. M. Berinson: To what part of the Bill does this discussion of single insurers relate?

The Hon. P. H. WELLS: It was raised by Mr Olney and I am simply pointing out the Bill makes allowance for other than a single insurer. I am also pointing out that the Dunn report and the Select Committee in Tasmania rejected this concept.

The last point made is as follows—

> It is not without significance that all employer organisations, whose members have to pay the premium, want retention of the present system of multiple insurers, and the mining companies, who have been tied to S.G.I.O. since 1924, are vociferous in their demand to be free of the tie. If the advantages of one insurer only are such as are claimed for it, it is surprising that all the employers are not urging the establishment of one insurer.

The Hon. H. W. Olney: Do you support all of Dunn's recommendations?

The Hon. P. H. WELLS: No, I am simply drawing the attention of members to the arguments contained in the report relating to single insurers. Mr Olney referred to single insurers, and used the Motor Vehicle Insurance Trust as an example.

The Hon. H. W. Olney: Did you know the MVIT is a consortium of private insurers?

The Hon. P. H. WELLS: The Dunn report provides figures relating to the situation in Queensland, where there is a single insurer, but makes the point that the system there is a new one. It also refers to New Zealand.

The Hon. H. W. Olney: Do you say there is a single insurer in New Zealand?

The Hon. P. H. WELLS: No, the Dunn report referred to the New Zealand and Tasmanian inquiries and pointed out that employer organisations rejected the single insurer concept. I support that contention.

I express some disappointment about certain areas of the Bill. I recently received a call in my office from a constituent who wished to discuss a workers' compensation matter. I put out a fair amount of information in my electorate to try to gain some idea of the feelings of my constituents. My constituent told me he approached his union. I was a member of the AWU, and believe unions have played their part in our community. He pointed out that he approached his union for advice. Most unions employ people for the specific purpose of giving advice to their members. However, this person was told he would receive assistance, provided he paid the union a percentage of the compensation.

The Hon. H. W. Olney: Are you saying the AWU said that?

The Hon. P. H. WELLS: I did not say that.

The Hon. H. W. Olney: That is the implication you made.

The Hon. P. H. WELLS: I did not imply the AWU said that; I did not say my constituent is a member of that union.

The Hon. H. W. Olney: You said you were a member of the AWU, which gave the impression your constituent was, also.

The Hon. P. H. WELLS: I did not mean to give that impression.

The Hon. A. A. Lewis: There will be a compensation claim for my ears in a minute.

The Hon. P. H. WELLS: Whether it is the AWU or any other union, I do not believe it is an honourable practice to try to make money out of other people's misfortune.

The Hon. H. W. Olney: That is what insurance companies do.

The Hon. P. H. WELLS: That should be one of the services provided by unions to their members.

There are many pluses in the Bill, and one or two minuses. One minus is the matter of the payment of hospital costs. One of the aims of the Dunn report was that we might be able to contain costs in the area of workers' compensation. However, under legislation recently passed in this House, the insurance companies will be charged

for the cost of operations, rather than a general charge made, and this will represent a great cost to the insurance industry. The aim, of course, is to ensure that this section of the industry bears its fair share of the cost.

This Bill is aimed at providing compensation to workers, promoting rehabilitation, and promoting safety. The Bill contains an expanded interpretation of "disability" which brings it into line with definitions in Victorian, New South Wales, and Queensland legislation, and will enable an employment related disease to be considered by the board.

I note that members of the Baptist Church are to come within the provisions of this legislation. I understand members of Parliament are not covered by workers' compensation. Certainly, if the clergy is to be included, members of Parliament also should be covered.

The Hon. N. F. Moore: Damage to the larynx!

The Hon. P. H. WELLS: Public servants are all covered by workers' compensation. It is contended that members of Parliament are privately employed; however, we all seem to be paid from the same source as public servants. Fortunately, we have never had the situation of a major compensation claim being submitted by a member of Parliament; however, I suggest the Government consider this aspect.

I also note the definitions clause highlights the matter of rehabilitation, with the following definition—

> "treatment by way of rehabilitation" means any treatment of a kind approved by the Minister by notice published in the *Gazette* for the purposes of the rehabilitation of workers who have suffered a disability compensable under this Act;

This provides new initiatives in rehabilitation. In this area, the Hon. Howard Olney raised the case of the occupational therapists. I considered that case, and I wonder why they are not included in the Bill.

At this stage, if an occupational therapist is required for the treatment or rehabilitation of the patient, although it is not designated within the Act, the average prescribed fee would be negotiated and accepted, generally.

The Hon. H. W. Olney: There is nothing in the Act to say they are covered at all.

The Hon. P. H. WELLS: I am just repeating the information given to me. The occupational therapists submitted to Judge Dunn that they are involved very much in the rehabilitation stage. A clause provides for the extension of the legislation to cover this. Perhaps the occupational therapists need to be covered there

During the Hon. Howard Olney's speech, I asked by interjection whether occupational therapists were covered anywhere else in Australia. I checked whether that was the case, and the first book I checked had the name of the Hon. Howard Olney as the authority on the Western Australian Act. That book was in the CCH series. In the index to that book, I could not find any reference to occupational therapists. Then I went to *Workers' Compensation Legislation in 1980*, which is a compendium of the legislation in the individual States and discovered that occupational therapists are not recognised in any State.

The Hon. H. W. Olney: That is why you could not find it in the index.

The Hon. P. H. WELLS: I could not find chiropractors in that index either, but I know they are accepted in Western Australia. Perhaps the Hon. Howard Olney missed that inclusion.

The Hon. H. W. Olney: I did not do the index.

The Hon. P. H. WELLS: I may have missed it. It is an extensive index. The book is an informative one in terms of the historical background, some of which the Hon. Howard Olney brought to us. I found that very interesting, and particularly his reference to the no-fault clause which was the beginning of workers' compensation.

Although occupational therapists have not been accepted in other States, that does not mean we should not accept them.

The Hon. H. W. Olney: The rehabilitation provisions are in the Bill.

The Hon. P. H. WELLS: The clause dealing with treatment and rehabilitation may need to be extended in that area. I will be watching with interest to see whether occupational therapists receive recognition, as I believe the new provisions for rehabilitation may provide for them.

I will not go through the whole Bill. I was interested to listen to the Hon. Howard Olney, who apparently has expertise in this field. I have spent a lot of time reading and discussing a whole range of topics in this Bill, but I would not claim that I have anywhere near the expertise that the Hon. Howard Olney has. I have had discussions with a whole range of people; and I have learned that workers' compensation legislation in this State compares favourably with the legislation in other States. I have been told that our legislation is reasonably generous in some areas, and exceedingly generous in others.

The people involved with industrial diseases in the mining industry must be very happy that they have achieved a lump-sum payment—something they have worked for in the last 20 years. They should be particularly happy that people suffering from asbestosis are to be covered. Asbestosis appears to be on the increase, despite the fact that we have no asbestos industry in this State. Wittenoom has been closed for quite some time.

The Hon. H. W. Olney: We have asbestos-manufacturing establishments.

The Hon. P. H. WELLS: In relation to silicosis, at the turn of the century a person could become silicotic in anything from six months to 12 months. Today a person may contract silicosis over a period between 15 and 30 years. The reports of the Public Health Department indicate that every miner in this State goes to the laboratory and has X-rays; so we have a very good history in relation to this disease. The incidence of silicosis per 10 000 people involved in the industry has decreased.

The Hon. H. W. Olney: Because there is less underground mining.

The Hon. P. H. WELLS: I am talking about per 10 000 people involved. If there is a decrease in mining, there are fewer people to contract it.

The Hon. H. W. Olney: Are you not talking about per 10 000 of the total population?

The Hon. P. H. WELLS: I am talking about the incidence per 10 000 people. I have seen the records.

The officers who are responsible for drawing up the Public Health Department's reports have highlighted the fact that the incidence of silicosis per 10 000 people is decreasing. This has been brought about by the success in the mining industry in the treatment of the problems associated with silicosis.

The Hon. H. W. Olney: Closing down the mines!

The Hon. P. H. WELLS: No. In the early days a lot of dry drilling was carried out. Certainly the conditions were very dusty. The men worked in conditions which made it easy for them to get silicosis; but with the modern requirements for watering down and ventilation in the mines, the prevention methods have become very effective.

I heard of one experiment in Canada in which aluminium dust was sprayed into the miners' changerooms. The theory was that this would protect their lungs from the quartz dust. However, since then it has been proved that was not effective.

The industry over the years has done a lot towards solving the dust problem. The companies have considered ways of improving the working conditions so that their employees will not contract silicosis. Although they have not been successful in eradicating it, the reports of the Public Health Department of this State show that the disease is decreasing.

However, asbestosis claims have been increasing. I suspect that they will continue to increase for some time. I do not know how long that will be. I gather if one knew the time lag involved, one would be able to predict for how long the asbestosis claims would increase.

The Hon. H. W. Olney: In about 10 years' time.

The Hon. P. H. WELLS: That suggestion may well be right.

The Hon. H. W. Olney: That is what the medicos say.

The Hon. P. H. WELLS: Although the medical profession has been making inroads into silicosis, there is still a problem with asbestosis. The sufferers from asbestosis, have extended coverage under this Bill. That area should be recognised, despite the fact that the asbestos mining industry probably did not pay the industrial disease premiums.

The Hon. H. W. Olney: ABA paid it.

The Hon. P. H. WELLS: Asbestosis was not recognised, and I am not certain that the workers came under the industrial disease premiums.

The Hon. H. W. Olney: Asbestosis is just a form a pneumoconiosis.

The Hon. P. H. WELLS: People have known a fair amount about silicosis, but they have not been as knowledgeable about asbestosis.

The Hon. H. W. Olney: It has been known since 1896.

The Hon. P. H. WELLS: Certainly the asbestosis claims in the last 10 years have been much higher than they were before.

The Hon. H. W. Olney: That is because of the latency period.

The Hon. P. H. WELLS: It takes a long time to take effect.

One area raised with me by the employers relates to the people who are not covered by the legislation. Some difficulty has been experienced when some people who are getting on in years seek employment because of their circumstances, but find they are a heart risk. The older we become, the greater chance there is that we may become a heart patient. I gather some employers

are not keen to employ them because they are an insurance risk. Perhaps there should be some category to cover these people so they can accept a job and opt out of workers' compensation coverage. The person who mentioned this to me indicated there was reluctance to do so with this group. Certainly a person who wants to earn a living should be able to.

I understand that this situation arises with people who come from overseas. There should be some accommodation for them in either this Bill or other legislation.

The Hon. H. W. Olney: Do you not think we should provide them with the ordinary benefits, instead of taking them away?

The Hon. P. H. WELLS: That may be so. The people to whom I am referring—and I have not done full research on this—are the people who enter the country on an undertaking that they will be cared for, and then the people who have nominated them do not look after them.

The Hon. H. W. Olney: They will not be covered under this Bill.

The Hon. P. H. WELLS: That is an area for social welfare. Perhaps there should be a provision within this Bill to enable them to be employed. If there were, perhaps some employers would be happy to take them on.

With a Bill like this, as problems arise and as technology changes—perhaps new diseases will be discovered—we should have a continual review of the provisions, and thus we might be able to cover the areas that become necessary. A workers' compensation Bill that establishes not only compensation, but rehabilitation to enable a man to go back to work, is of great importance. It is an advance in legislation that deserves the support of this House.

Debate adourned, on motion by the Hon. W. M. Piesse.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. I. G. MEDCALF (Metropolitan—Leader of the House) [9.29 p.m.]: I move—

> That the House at its rising adjourn until Tuesday, 3 November.

Question put and passed.

House adjourned at 9.30 p.m.

QUESTIONS ON NOTICE

599 and 629. *These questions were postponed.*

EMPLOYMENT AND UNEMPLOYMENT

Education Programme for Unemployed Youth

634. The Hon. D. K. DANS, to the Minister representing the Treasurer:

In view of the fact that the commonwealth grant for the education programme for unemployed youth (EPUY) for 1980-81 amounted to $821 000 for Queensland, $805 000 for South Australia, yet only $113 505 for Western Australia—

(1) Will the Treasurer detail the precise reasons as to why this State's allocation was so low?

(2) Will the Treasurer explain why Western Australia has been unable to avail itself of a greater share of the available funds?

The Hon. I. G. MEDCALF replied:

(1) and (2) Funds were allocated to States in accordance with specific proposals approved by the Commonwealth and within the limits of funds determined by them. Western Australia's effort was directed to vocationally related transition courses rather than the education programme for unemployed youth which is more limited in scope. The EPUY programme is to be absorbed into the school-to-work transition programme from 1982.

EDUCATION: SWIMMING POOLS

Subsidy

635. The Hon. R. HETHERINGTON, to the Minister representing the Minister for Education:

Further to question 615 of 22 October 1981—

(1) What is the nature of the pool subsidy, and to whom is it paid?

(2) Is it a subsidy specifically for the private school sector?

(3) If not, what proportion of the subsidy for 1981-82 went to Government schools?

(4) On what basis was the decision made to increase the subsidy five-fold for 1981-82?

The Hon. D. J. WORDSWORTH replied:

(1) The basis of the pool subsidy is 25 per cent of cost up to a maximum of $10 000 in the metropolitan and south-west areas and $12 500 elsewhere in the State provided that—

(a) the site location plans and specifications have been approved by the department prior to any work commencing; and

(b) the work is completed to the satisfaction of the Public Works Department.

(2) The subsidy is available to both Government and non-Government schools.

(3) 100 per cent.

(4) The basis of the subsidy has not changed.

636. *This question was postponed.*

LAND: RESUMPTIONS

Roe Freeway

637. The Hon. H. W. OLNEY, to the Minister representing the Minister for Transport:

Further to the Minister's answer to questions 554 and 617 asked on Wednesday, 30 September 1981, and Thursday, 22 October 1981, respectively—

(1) Has the Main Roads Department or any other Government department or agency, acquired the whole or any part of the following lots delineated on MRD drawing No. 7721-57—

(a) lot 3 in Forrest Street;

(b) lot 14 in Rockingham Road;

(c) lots 4, 5, 6, 7, 8, 9, 10 and 13 on the north side of Healy Road; and

(d) lots 5, 6, 7, 8 and 9 on the south side of Healy Road?

(2) If "Yes"—

(a) were the respective lots acquired by purchase, resumption or otherwise;

(b) what are the respective dates of acquisition; and

(c) what consideration or compensation was paid in each case?

(3) Have any negotiations taken place for the acquisition of—

(a) lot 77 in Hampton Road; and

(b) lot 18 in Healy Road?

(4) If "Yes"—

(a) has a price been agreed upon; and

(b) when will a sale take place?

(5) If the answer to any part of question (1) is in the negative—

(a) have any negotiations taken place with respect to any part of the land referred to; and

(b) what is the present state of those negotiations?

The Hon. D. J. WORDSWORTH replied:

(1) to (5) The Minister for Transport thanks the member for identifying the particular lots of land which are the subject of his inquiry. The information he has requested is being collated and will be forwarded to him as soon as practicable.

EDUCATION: FUNDING CUTBACKS

Savings

638. The Hon. R. HETHERINGTON, to the Minister representing the Minister for Education:

What are the estimated savings in 1981-82 resulting from the following measures announced recently by the Treasurer—

(a) cessation of the text book subsidy;

(b) reduction in levels of non-teaching support staff;

(c) economies in the in-term swimming classes programme;

(d) termination of the driver-education programme;

(e) closure of Claremont Technical College;

(f) exercise of tight control over staffing levels;

(g) curtailment of one-day relief for primary teachers; and

(h) close attention to expenditure on non-salary items?

The Hon. D. J. WORDSWORTH replied:

The Budget for the year was based upon the following anticipated savings—

(a) $921 000;

(b) $955 000;

(c) $440 000;

(d) $143 000;

(e) $400 000;

(f) not precisely estimated but could amount to $250 000;

(g) $256 000;

(h) not precisely estimated but continuous efforts will be made to economise.

RAILWAYS: FREIGHT TERMINALS

Transfer

639. The Hon. J. M. BROWN, to the Minister representing the Minister for Transport:

(1) Is the Minister aware of discontent among country people and the staff of Westrail because of continued rumours that the operation of freight terminals will be transferred outside the Westrail system?

(2) Will the Minister give an assurance that Westrail is a valuable and viable nucleus of the State transport system, and therefore any reduction in the service would be an expensive disaster to the State?

The Hon. D. J. WORDSWORTH replied:

(1) The Minister for Transport is advised that any discontent is no more than could be expected when changes to long-standing operation methods are being examined.

Westrail staff are being informed of the alternatives under examination for the future handling of "smalls" and parcels freight business, in response to the Government land freight transport policy outlined in the document issued in 1980 requiring Westrail to become commercialised.

(2) The Government believes that Westrail is most definitely a vital component of this State's transport system and it is encouraged in every way to attract more and more bulk traffics so that it can perform the job it does best, which is to haul these bulks.

The overriding objective of the Government's policy is for the people of Western Australia to get a reliable cheap and efficient transport service.

EDUCATION: PRE-SCHOOL

Teachers: Employment Prospects

640. The Hon. J. M. BROWN, to the Minister representing the Minister for Education:

(1) What are the future employment prospects for the pre-school teachers?

(2) How many trainee pre-school teachers will qualify in 1981, and what is their future?

The Hon. D. J. WORDSWORTH replied:

(1) Relatively few teaching vacancies are expected in pre-school centres in 1982.

(2) 103.

WATER RESOURCES: CATCHMENT AREA

Green's Hill

641. The Hon. F. E. McKENZIE, to the Minister representing the Minister for Water Resources:

(1) Has any survey been conducted recently by any Government department or Alcoa Australia, aimed at evaluating the feasibility of constructing a water catchment between Pinjarra and Dwellingup in the vicinity of Green's Hill?

(2) If so, will the Minister provide details on what is currently being considered?

The Hon. G. E. MASTERS replied:

(1) and (2) The Public Works Department has made a preliminary assessment of the water supply potential of Marrinup Brook. Alcoa has developed four small local water supply points between Pinjarra and Dwellingup. Two of these are on Marrinup Brook catchment, one on South Dandalup catchment and the other on Oakley Brook catchment.

EDUCATION

Non-teaching Staff: Reductions

642. The Hon. J. M. BERINSON, to the Minister representing the Minister for Education:

In the education section of the printed Budget speech (page 19) it is said that "where appropriate, the level of non-teaching support staff will be reduced" and also that "provision has been made for the appointment of an additional . . . 81 non-teaching staff . . ." What is the anticipated net effect of these proposals?

The Hon. D. J. WORDSWORTH replied:

A net saving of approximately $600 000 is expected and the details of the implementation are currently being determined.

TOURISM

Hotham Valley

643. The Hon. F. E. McKENZIE, to the Minister representing the Minister for Transport:

(1) Is the Minister aware of the great potential for tourism which exists in the Hotham Valley?

(2) Has the Hotham Valley Tourist Railway society made an approach to the Government for permission to open up and operate the railway line between Dwellingup and Tullis?

(3) If so—

(a) when was the approach initially made; and

(b) what was the outcome?

(4) If a decision has not yet been reached—

(a) what has caused the delay; and

(b) when will it be made?

The Hon. D. J. WORDSWORTH replied:

(1) Yes.

(2) Hotham Valley Tourist Railway WA Inc. has put forward a comprehensive submission to the Government involving staged development of its entire operation and the Dwellingup-Tullis railway line is only one aspect of its proposal.

(3) and (4) Ongoing discussions have been held with HVTR on the proposals by the Minister for Transport and the Minister for Tourism with the most recent meeting taking place last week.
These negotiations with tourist railway representatives are continuing with the objective of determining the various matters contained in its submission.

644. *This question was postponed.*

TRADE UNION: AUSTRALIAN RAILWAYS UNION

Bans: Lifting

645. The Hon. F. E. McKENZIE, to the Minister representing the Minister for Transport:

(1) Was Westrail's industrial manager advised on Thursday, 22 October 1981, by an official of the Australian Railways Union that the union would be recommending the lifting of the bans imposed on certain trains at meetings of workers to be held on Friday, 23 October 1981?

(2) If so, could the Minister explain why Westrail proceeded with its "lock out" of workers on Friday, 23 October 1981, which resulted in an unnecessary cessation of suburban rail services for a period which resulted in serious inconvenience to the public?

(3) How much did the "lock out" cost Westrail?

The Hon. D. J. WORDSWORTH replied:

(1) and (2) The Minister for Transport is advised that at 1655 hours on 22 October an official of the Australian Railways Union verbally advised Westrail's industrial relations manager that the two-man crew committee would recommend for and on behalf of the union's State executive to the members that they cease industrial action being undertaken on this issue.
However, Westrail was given no guarantee that the guards at Collie and Kwinana would resume duty and in view of the unsatisfactory negotiations with the union's two-man crew committee during the strike, Westrail had to await the outcome of the guards' meetings at Collie and Kwinana at 1000 hours Friday, 23 October.

(3) It is not possible to provide precise figures as to the consequences of the stoppage. However, the short answer is very little. The "cost" involved would be confined to the revenue that might have been lost during those six hours.
With suburban passenger services, many regular rail travellers would have transferred to MTT bus services and loss in revenue would not have been greatly affected.
With freight services, there would have been some delays in deliveries, but loss of revenue would have been minimal as the majority of Westrail's freight trains move outside the hours of 0800 to 1400 hours.
Off-setting all of this is the fact that union bans had already prevented some freight trains from running since Friday, 16 October.
In that one week from 16 October until services resumed on 23 October Westrail lost considerable traffic, including all coal from Collie, and coal earns Westrail in excess of $200 000 per week.
More importantly, had the bans—which the union were placing, at will, on individual services—been allowed to continue then, amongst other things, the loss of coal to metropolitan power stations could have resulted in power shortage affecting both householders and industry alike.
Westrail acknowledge that the main effect of Friday's six-hour stoppage was the inconvenience it caused to some people.
This situation is regrettable and the Minister believes that the union will have to realise that its actions against the operation of Westrail's normal services are only harming its own members and jeopardising the future of a progressive and effective railway system.

RAILWAYS: FREIGHT

Small Goods

646. The Hon. F. E. McKENZIE, to the Minister representing the Minister for Transport:

Referring to a report in *The Western Mail* on Saturday, 24 October 1981, which stated *inter alia* "The Commissioner of Railways, Mr W. I. McCulloch, has fully endorsed the plan, which would get rid of the financially

disastrous small-goods operation in WA and leave Westrail with bulk grains, ores and minerals. Mr McCulloch is said to believe that Westrail can make a profit from the joint venture by leasing buildings and equipment at the Kewdale Freight Terminal." Will the Minister advise—

(1) What was the revenue obtained by Westrail from its small goods traffic last financial year?

(2) What was the operating cost of the service?

(3) How much of the operating cost was debited to buildings and equipment, and what other costs associated with those items were included as part of the operating cost?

The Hon. D. J. WORDSWORTH replied:

(1) to (3) The member will appreciate that this information could be the subject of Westrail's possible future commercial negotiations concerning the handling of "smalls" and parcels freight and in the circumstances, it is not appropriate to release details of the figures.

TRANSPORT: BUS AND RAIL SERVICES

Reductions

647. The Hon. F. E. McKENZIE, to the Minister representing the Minister for Transport:

(1) How much is it anticipated that the weekly loss on bus and train services will be reduced following the introduction of reduced bus and rail services which commenced on Sunday, 18 October 1981?

(2) Of the saving, how much has been attributed to—

(a) MTT bus operations; and

(b) Westrail suburban rail operations?

The Hon. D. J. WORDSWORTH replied:

(1) $10 500 per week.

(2) (a) $7 500;

(b) $3 000.