

# Legislative Assembly

Tuesday, 21 June 1988

THE SPEAKER (Mr Barnett) took the Chair at 2.15 pm, and read prayers.

## PETITION

### *Conservation - Shark Bay*

MR HASSELL (Cottesloe) [2.16 pm]: I have a petition which reads as follows -

To: The Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned respectfully sheweth:

That the people of Shark Bay and other citizens are deeply concerned that consideration is being given to World Heritage listing for Shark Bay, and

- (a) believe the special features of the region can be best protected through finalisation of the Shark Bay Plan in consultation with local people;
- (b) do not want transfer of control of the area to the Commonwealth or overseas influences;
- (c) call on the State Government and Parliament to cease consideration of World Heritage listing;
- (d) call on the State Government to oppose and fight against any World Heritage listing.

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

The petition bears 26 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 37.]

## PETITION

### *Hospital Patients - Transfer*

MR BRADSHAW (Murray-Wellington) [2.17 pm]: I have a petition couched in the following terms -

To: The Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned feel very strongly against the Government's deliberate move in transferring all of the psychiatric/geriatric patients at the Bentley Lodge to various outlying hospitals in the metropolitan area in order to accommodate the psychiatric patients being transferred from Heathcote Hospital following the sale of Heathcote Hospital.

These patients have become very comfortable and familiar in their surroundings and we feel it totally unnecessary in this upheaval of these patients/citizens many of whom served in the last war in defending our country. Surely the money would be well spent building another suitable hospital to accommodate the patients from Heathcote.

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

The petition bears 165 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 38.]

## PETITION

### *Conservation - Hepburn Heights*

MR MacKINNON (Murdoch - Leader of the Opposition) [2.18 pm]: I have for presentation the following petition -

To: The Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, respectfully request that:

Reserve 33286 at the intersection of Hepburn Avenue and the Mitchell Freeway, Padbury, otherwise known as Hepburn Heights, be retained in its natural state and preserved as a bushland park for eternity.

Your petitioners humbly pray that the House urge the Government to:

- . Recognise the ecological and environmental significance of the land and accordingly, grant the land to the people of Western Australia as a bicentennial gift.
- . Ensure that no development takes place on the land other than that required for the protection and preservation of native flora and fauna, and preparation of pathways to allow visitors safe access to the site.
- . Invite the citizens of the City of Wanneroo to play an active part in the care and maintenance of the area.

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

The petition bears 12 928 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 39.]

## PUBLIC ACCOUNTS AND EXPENDITURE REVIEW COMMITTEE

### *Interim Report - State Government Insurance Corporation*

On motion by Mr D.L. Smith, resolved -

That the report do lie upon the Table and be printed.

[See paper No 252.]

## MATTER OF PUBLIC IMPORTANCE

### *Property Development - Old Swan Brewery Site*

THE SPEAKER: I have to advise members that earlier today I received a letter addressed to me from Barry MacKinnon, Leader of the Opposition, seeking to debate as a matter of public importance the proposal to redevelop the old Swan Brewery site to include a major tavern complex.

[Five members rose in their places.]

The SPEAKER: Sufficient members having risen in support of that motion, it is my intention to allow it to proceed within the normal guidelines: Half an hour will be allocated to speakers on my left and half an hour to speakers on my right.

MR MacKINNON (Murdoch - Leader of the Opposition) [2.30 pm]: I move -

This Parliament condemns the Government proposals to redevelop the old Swan Brewery site to include a major tavern complex on the basis that -

it has ignored proper planning procedures;

it has ignored the wishes of the majority of Western Australians;

it has ignored both the Perth City Council and the Aboriginal people who have not been properly consulted over the Government's latest plans;

and calls on the Government to provide a true Bicentennial gift to the people of Western Australia by demolishing the Old Brewery complex and establishing a passive recreational site - as an extension of Kings Park to be known as Bicentennial Park.

We have seen in the last couple of days the Government's fourth attempt to get off the ground the redevelopment of the Swan Brewery site. It is no better a plan, from reports in the paper, than any other that has been brought forward before, and in fact the plan retains all of the worst aspects of each plan that has been brought to this Parliament and to the public previously. The plan includes a tavern complex as a central part of the development. A car park development is to take place on the Kings Park side of the road and it will generate significant additional vehicular traffic on what is one of the most dangerous stretches of road in Perth. The plan also ignores the public view - a view which has been expressed quite clearly by petitions to this Parliament in the public arena, by the opponents of the proposal in an organised way, and through the media by those who are not so well organised - which is in virtually total opposition to this proposal. In fact not even all of the Government members support the proposal, as was outlined to the Parliament last year by my colleague, the deputy leader, when on 8 April he read to this Parliament a letter from Hon Fred McKenzie, a member in another place, who indicated as follows -

I have informed the Minister for Planning, Bob Pearce, that I am not supporting his concept. My support is for Dr Cohen's proposal.

That proposal was a preferred use of that site as a park - in fact, a peace park - at that time. So not only do the public oppose what the Government is suggesting in the redevelopment of that site, but so do members of its own political party.

The worst aspect of this latest proposal is that it ignores those people in the community who one would have thought would be the first consulted with any new proposal. With all of the controversy that surrounded this proposal one would think that before making any public announcement, be it a direct announcement or a leak to the newspaper from the Government, the Perth City Council would have been consulted; but we saw in today's newspaper that that was not the case. One would have thought that Brewtech Pty Ltd, which I understand has invested more than half a million dollars in getting its proposal to a stage where it felt it could be proceeded with, would have been consulted; but yesterday it came out that not even that company was consulted.

One would have thought that the community which was supposed to benefit from this latest proposal - the Aboriginal community and the person who has been most vocal in his comments about this site, Ken Colbung - also would have been consulted; but that was not the case either. They were not consulted. And I will lay London to a brick on that the other people who previously expressed opposition to this proposal, who have a vested interest in this development - that is, the Kings Park Board - were not consulted either.

The final group - and I would challenge members opposite to criticise this if it is not the case - are the members of the Australian Labor Party itself. I will guarantee you, Mr Speaker, that the members of the Parliamentary Labor Party, the Caucus, have not even been consulted about this latest proposal either. The silence coming from members opposite clearly signifies that.

Mr Pearce: That is absolute rubbish.

Mr MacKINNON: The Government and the Minister want to ride roughshod over, not only the Perth City Council, not only Brewtech which had the courage to stand up and put its money into the development, not only the Aboriginal community, with which the Government claimed to have some affinity, not only the Kings Park Board, but also members of its own party.

If members opposite say, "But you do not have a positive, credible alternative", let me put to them what we believe should happen with that site. We agreed with the Minister for Planning when he said in April 1985, when the Government was first making an offer for the site, that it should be a development site that is used for park purposes; and I quote from *The West Australian* of 27 June in which Mr Pearce was reported as follows -

He did not think that Mr Goldberg would be able to sell it to anyone else for more than \$4.5 million because of public pressure to ensure that there was no development on the site.

"No development on the site". That is a pretty clear statement from the Minister for Planning who, since then, has been doing everything he possibly can to develop the site. On 19 November 1985, in an advertisement placed in *The West Australian* under the Government's imprimatur, again from this Minister for Planning whose colleague, the Minister for Education, goes around the countryside badmouthing him every day of the week -

Mr Pearce: That is untrue.

Mr MacKINNON: The Minister should go down to the south west and ask all of the people who rang me last night at my home what they think the Minister said. She is running as fast from the Minister for Planning as she can.

Mr Pearce interjected.

The SPEAKER: Order! Order! The Leader of the Opposition should stick to the topic.

Mr MacKINNON: That same Minister for Planning from whom the Minister for Education is running authorised this advertisement in the newspaper on 19 November -

The Old Swan Brewery belongs to you . . .

. . . Now we want your ideas on how it should be used

The State Government has bought the Old Swan Brewery Site in Mounts Bay Road to honour a commitment to the public of Western Australia.

The property has been acquired as a possible extension to Kings Park, a place for public recreation or for preservation as a place of historical interest.

Mr Speaker, the development of this site now as a tavern complex with attachments bears no resemblance to what the Minister talked about, either in June 1985 when he said there should be no development on the site or in November 1985 when he advertised stating directly the contrary.

We believe that what should happen with the Swan Brewery site is that the majority of the buildings, particularly those on the river side of Mounts Bay Road, should be demolished. The stables, which do have some historical significance, should be retained. The rest of that site should be developed for passive recreational purposes as a part of Kings Park, made as a real gift to the people of Western Australia in their bicentennial year, and named "Bicentennial Park". I challenge the Government to say what we have to show for this bicentennial year around this State in significant terms, either structural or otherwise. What can we look back at in 200 years' time and say to our children, or to their children's children, about our 200th year?

Mr Hassell: A bus station on the river foreshore.

Mr MacKINNON: Yes, a bus station that may or may not be built on the river foreshore; but what they could say is, "There is Bicentennial Park. It was a very controversial development but the Government of the day saw reason and devoted this land to the use of us, the people of Western Australia, for time immemorial." That is the challenge that this Government could meet. It might say we cannot afford the money - what rubbish! It is spending money willy nilly around the State. It has a reserve of something approaching \$300 million. The Government could cut its costs. It would cost only \$1 million, I think, to demolish the site and put it into good order. That would be a worthwhile investment in this bicentennial year - a gift from this Government to the people of Western Australia. That is what should happen with that site and I can assure you, Mr Speaker, that should that project not have been proceeded with by the time we return to Government, that is what will occur with that site.

MR PEARCE (Armadale - Minister for Planning) [2.39 pm]: I think this is the fourth time the Opposition has sought to debate the old Swan Brewery site proposal in the Parliament in about the last 18 months.

Mr Court: And you have not got the message yet.

Mr PEARCE: I would have to say that this is the first occasion on which any consistency has been shown by the Opposition, because all it is doing is repeating almost word for word the argument it put forward on the last occasion. The worst aspect of this shooting from the lip by the Leader of the Opposition is that he is totally unaware of the revised nature of the proposal which is currently before the Cabinet. In fact, almost every one of the assertions in

his motion is obviously wrong because the Leader of the Opposition on this matter is seeking to make a judgment on the current proposal without ever having seen it. As a result, the presentation he has put forward to the Parliament is based absolutely on the last proposal he saw. What he is proposing instead is to have the world's dearest piece of parkland -

Several members interjected.

Mr PEARCE: I will address that in a moment.

Several members interjected.

The SPEAKER: Order!

Mr PEARCE: He is proposing to have an \$8 million hectare of land on the riverfront, a "Bicentennial Park" which would cost Western Australians \$8 million -

Several members interjected.

The SPEAKER: Order! We are not going to have that sort of debating tactic employed this week in the Parliament. If members are heard in virtual silence, that is what they will accord the person who follows them.

Mr PEARCE: That would be about \$10 for every blade of grass, and the trees would run to hundreds of thousands of dollars. Let me move to the precise terms of the motion moved by the Leader of the Opposition. He says that the Parliament condemns the Government proposals to redevelop the old Swan Brewery site to include a major tavern complex. There will be no major tavern complex in the reconstituted brewery building. There may be a small bar adjacent to the Aboriginal cultural centre to be constructed, but there will not be - I state categorically to the House and to the people of Western Australia - a major tavern complex.

Mr MacKinnon interjected.

Mr PEARCE: I challenge the Leader of the Opposition: What plans has he seen for the current proposal which include a major tavern complex?

Mr MacKinnon: You have already admitted there will be a tavern.

Mr PEARCE: The Leader of the Opposition is talking about a major tavern complex. Has the Leader of the Opposition seen the plans for the latest proposal?

Mr MacKinnon: I have seen some plans.

Mr PEARCE: Which plans?

Mr MacKinnon: There is a tavern.

Mr PEARCE: The plans for the current proposal have not been drawn up. The Cabinet is discussing a concept about the way in which this matter might be organised, and there are no plans drawn up for the current concept. The Leader of the Opposition, when he says glibly, "I have seen some plans", is trying to lead the House into believing that somehow surreptitiously he had a look at the plans for the current proposals, but there are no plans. Any plans that the Leader of the Opposition has seen, and on which he has based his argument to the Parliament, are not plans to do with the concept currently before Cabinet.

The second aspect of the Leader of the Opposition's motion is that this proposition has ignored proper planning procedures. It has not, because as soon as a plan is drawn up and approved by Cabinet as the potential developer of the site, it goes through the normal planning process, as indeed have all the other plans which have been brought up for this site. There will be no ignoring of the proper planning procedures. As soon as a plan is approved, it will be sent to the Perth City Council in the normal way, and the planning process will follow from there in the normal way. I give that absolute commitment to the House and to the people of Western Australia.

The Leader of the Opposition said that this proposal has ignored the wishes of the majority of Western Australians. He and his colleagues have continued to assert that, based on no proof at all of which I am aware, except their belief that a couple of phone-in polls - which everyone knows are totally unreliable - have seen more people phone in favouring the destruction of the historical brewery buildings than favouring their retention. However, I have in my hand a survey dated March 1986 conducted by Chadwick Martin Consultants Pty Ltd on the very question of the public opinions with regard to the retention or otherwise of

the brewery buildings. I might say that the options which were put to people at that stage were not the very low key, culturally based propositions we are now considering, but were for a much larger, totally commercial arrangement, which had as part of it a three-storey car park butting up against the Kings Park escarpment.

*Point of Order*

Mr CLARKO: The Minister is quoting from a document -

Mr PEARCE: I am very happy to table it.

Mr CLARKO: I was not saying it aggressively.

*Debate Resumed*

Mr PEARCE: I am quite happy to plaster it all around the walls of the building because it is indicative of what people think on this matter. It ought not to surprise the member for Karrinyup, who I understand is the shadow Minister for Planning, although it is hard to keep up with the shuffles on the Opposition benches. In fact, the fastest bit of shuffling which was ever done was to shuffle the current Leader of the Opposition out of his position of shadow Minister for Education after his abysmal performance against me in that field. The Opposition had to put their spokesman up in the Legislative Council so he would be safe. We released this publicly in 1986 and I thought I provided the member for Karrinyup with a copy of it on that occasion. The survey discovered that of these two possible options - that very large scale use I indicated or the demolition and create a park option - the retention option was favoured by 74.2 per cent of people; the demolition option was favoured by 25 per cent; 0.4 per cent preferred neither option, and 0.4 per cent were in favour of retaining the buildings for some other purpose.

Mr Lewis: How many were in favour of a tavern?

Mr PEARCE: The member should not ask that question because the retention option - that is the proposition put forward to people - was for a much larger tavern complex than is in the current building. In fact, people were given a complete rundown on what was proposed to be in the building at that time, and they approved of it on that basis. So yes, 74.2 per cent, in giving their support to the retention, were voting in support of the development having in it a tavern, and a much larger tavern than is currently proposed in the present arrangement. It is my great pleasure to table that public opinion survey. I hope it is taken to heart by members opposite.

[See paper No 253.]

Mr PEARCE: In case members opposite feel that the results of the survey may be a touch out of date, dating as they do from March 1986, Brewtech, at the stage it was proposing to make it a major brewing facility, and becoming a little nervous at the tenor of the public debate on the issue -

Mr MacKinnon: Which you supported.

Mr PEARCE: Sure I supported it. Brewtech was becoming nervous, so it did its own polling to see where the tenor of public opinion lay. Its poll showed that 72 per cent of people were in favour of the Brewtech proposal - again, a much larger and more commercial proposition than the one which we are now facing.

The third point of the motion is that neither the Perth City Council nor the Aboriginal people have been properly consulted over the Government's plans. My colleague, the Minister for Aboriginal Affairs, will talk about the consultation with Aboriginal people in a moment, but I can say two things: First, the proposal we are now putting forward is a fine tuning of the proposal agreed to by the former Premier and myself last January, which I discussed with the Chairman of the Town Planning Committee of the Perth City Council, Councillor Rod Evans, who expressed to me personal satisfaction with the way in which the development had been downscaled to meet the objections of the Perth City Council. Before any proposition agreed to by the Cabinet is put forward to the Perth City Council in the normal way of seeking its planning approval, I will discuss the matter with the Lord Mayor and with the Chairman of the Town Planning Committee so they can be fully apprised of the Government's intentions in that matter before a final decision is made to proceed to the seeking of approval through the normal process. In any event the seeking of approval

through the normal process will mean that the Perth City Council will have the plan, and will have a chance to comment on it and make its point of view known before any final decisions are made. There is no suggestion from the Government's point of view that the Perth City Council will be ignored. That finishes off the motion moved by the Leader of the Opposition. There is nothing left from that. Not one point from that motion is based in any way in accuracy or fact; neither is it based on the wishes of the people of Western Australia. In fact, the Leader of the Opposition has lost interest. I would be losing interest about now, too. Once when I was a young lad I was involved in a boxing match; after I had been thumped around the head about five times, I lost interest in the whole matter too. I looked a bit like the Leader of the Opposition looks now.

We are in fact proposing to give the people of Western Australia the best bicentennial present they could have in respect of this building. It is very appropriate during our Bicentenary to make this building a focus of Aboriginal culture in Western Australia. Not only will the building become a museum which will house the best collection of Aboriginal art and artefacts in the world - the Louis Allen collection - brought back from the United States of America by the Western Australian Government at a cost of \$1.6 million, but also it will be a shrine to Aboriginal culture and heritage.

As an adjunct to the art collection which will be the key focus of this reconstituted historical building we will have other more modern Aboriginal arts with Aboriginal artists and artisans presenting their work. A small theatre will be placed in the building which will give Aboriginal performance groups an appropriate venue for the presentation of their works. That is much better than a flat bit of ground costing \$8 million encompassing one hectare. Any Western Australian hearing the proposition put by the Leader of the Opposition that the Government should spend \$8 million - \$5 million for the acquisition and \$3 million for demolition and creation of parkland - to create one hectare of river space basically unusable by Western Australians would not be in favour of such a proposal. If any kind of car park is put on that one hectare the area would disappear very rapidly and become an \$8 million car park. This would be like the other two or three little nodes which exist along Mounts Bay Road towards the University. That is a most foolish proposition for using taxpayers' money.

Mr Court interjected.

Mr PEARCE: But the Government does not propose to make a car park because the Government is concentrating on retaining the building, not on a parkland. The Government has the capacity to do these things without unduly stressing the site. What would anyone pay for a hectare of ground in central Perth?

Mr Lightfoot: This is public open space.

Mr PEARCE: And the member would pay \$8 million?

Mr Lightfoot: It is not a matter of that.

Mr PEARCE: Yes or no?

Several members interjected.

Mr PEARCE: The member for Murchison-Eyre was the one who did not stand up when the Leader of the Opposition sought support. Would the member pay \$8 million or not?

Mr Lightfoot: It is taxpayers' money.

Mr PEARCE: I know that. That is why the Government is not proposing to waste it in the way the Opposition seems to think is so important. The Government proposes to put the money to a use which will do several things: Provide an important cultural facility for the people of Western Australia; give important access to the river currently denied to Western Australians; and give a real boost to Aboriginal culture and Aboriginal people to attempt to overcome the disadvantages they have suffered because of the prejudices that people such as those in the Opposition tend to foster in the community. The Government will seek to break down the cultural barriers between Aboriginal people and white Western Australians, which is a very important objective during the course of the Bicentenary.

The most profound symbolism in this whole debate is the gulf drawn between the Government and the Opposition - with regard not just to the brewery but also to many other things, because we are builders and members opposite are destroyers. The Government is

prepared to look at historical buildings and attempt to convert them into a facility which is usable and which will be used by generations of Western Australians. The Opposition will pull anything down. If an old building looks as though it might move the Opposition will rip it over. If the Opposition thinks it hears a discordant voice in the community it will bow to that pressure group; it listens for discord and rushes to the cause. The Opposition has no integrity in its approach.

Three years ago, the former Leader of the Opposition supported a residential development on the site, as high as the Kings Park escarpment. When the *The West Australian* printed an editorial in favour of the Government's acquisition of that site the former Leader of the Opposition wrote a letter to that newspaper stating that the Government should not acquire that land; that it should be left in the hands of private developers. The former Leader of the Opposition added that nothing is ugly about profit and people should be entitled to make a profit from that site. He supported Mr Goldberg's development, which was a residential tower as high as the Kings Park escarpment. Then we had the grand oscillation before suddenly coming to the destruction option - knock it down and build a park. The reason for that was not based on any integrity of philosophy from the Opposition but on the fact that the Opposition bowed to pressure groups which came from the blue rinse electorates of which the Opposition is a great supporter.

Mr Blaikie: The Minister is a hypocrite.

Mr PEARCE: The member for Vasse is no great shakes himself in that regard. When the former Leader of the Opposition wrote letters to the newspaper stating that Mr Goldberg should be allowed to develop that site, what did the member do? Did he oppose that proposition in the party room? Did he make any public comment in opposition to the proposition? In meetings with the UDIA, how did it feel about the Opposition wanting to pull down a building and stop a development?

Several members interjected.

The SPEAKER: Order! The member for East Melville has an irritating habit of hearing me call order and then continuing to interject. I am not going to tolerate it. When I call order I expect members to come to order immediately. Every single interjection in this place is contrary to Standing Orders. If members wish me to stick rigidly to Standing Orders, or if they continue with the bad behaviour, I will do so and stop interjections.

Mr PEARCE: That is the position from the Government's point of view. The Government has listened to the people and downscaled a larger development to a smaller, more culturally based facility. That larger development was supported by a large majority of Western Australians; it is my belief that this proposal will be supported by almost all. The beauty of it from the Government's point of view is that not only the people of 1988 but also the people of 2008, 2080, 2088 and probably even the people of 2888 will benefit from the far sighted actions of the Government. They will continue to make use of the facility which this Government kept for them and which, if accidents of fate had put the Opposition into Government, on this occasion would have been lost forever, like so many other historical buildings which have been knocked down and destroyed by the Opposition when in Government.

Hundreds, indeed thousands, of threats have been made to the existence of historical buildings and we should be constantly vigilant, ensuring that we keep old buildings. Only one demolition is required and that is the end of a piece of history. I was in Cossack at the weekend to open buildings which have been restored by Government funding. I made a speech yesterday based on these lines. This State is a little over 150 years old, yet we have lost almost all our historical buildings. So much has been pulled down by barbarians, by the Huns, the Franks, and the Visigoths of modern times. This Government has been a stern defender of heritage buildings where possible and is determined that the historical Swan Brewery buildings will be preserved. The Government takes a real stand on behalf of people who desire to preserve our heritage, not only for the current generation, but also for future generations. This Government will not be deterred by the whingeing and carping criticism which the Leader of the Opposition has made his hallmark.

MR CLARKO (Karrinyup) [2.59 pm]: Was that not brilliant? That was the man who was actually awarded "Heritage Vandal of the Year". In Western Australia when we sit down



with our cup of coffee at the breakfast table, the spouse says, "What is going to happen on the Swan Brewery this week?" We thought yesterday that a new plan had been drawn up for a big Aboriginal cultural centre with a tavern and so on, but now we find from the Minister for Planning that this is not so. There are no plans at all. I think that Western Australians should sue whoever leaked that story to *The West Australian*. They should sue that person and string him up by the thumbnails, because again we have been shown that this Government cannot handle a very simple issue. The Government cannot even follow through with its own plans and take a building and turn it into a highly commercial activity. It has been at it for three years and still has not done so, as proved by the Minister a moment ago. Everyone thought yesterday that the Government had taken a step forward on the matter, but apparently that is not the case because there are no plans at all. Nothing is different. The *7.30 Report* last night replayed an excerpt showing the Minister for Planning saying the site will be redeveloped as a brewery.

Mr Pearce: I did not. That is untrue.

Mr CLARKO: The Minister for Planning is shown saying those very words. I wrote them down on a piece of paper when he said them.

Mr Pearce: You misconstrued them.

Mr CLARKO: I offer \$20 to any charity the Minister for Planning may choose if he cannot find those words in *7.30 Report*, and he can give \$20 to a charity of my choice if he is wrong.

Mr Pearce: *The West Australian* had to run an apology for that. I said it would have to be a building, not a park.

Mr CLARKO: I do not have time to quote the Minister.

Several members interjected.

The SPEAKER: Order!

Mr CLARKO: He said that the site will be redeveloped as a brewery, and I wrote that down when I heard it on *7.30 Report* last night.

The Minister for Planning began this debate by saying that we have raised this matter many times in this Parliament, and that is true. He said that we have repeated the same things, and that is true; but that is one thing the Government does not do, because it has a different stand on this issue every day. Originally it was going to be a massive brewery, and the words of the Minister show that he still believes that to be an ideal use for the site. Today he says, "There may be a small bar". The Minister's credibility has never been high but it has been absolutely destroyed today by his unzipped mouth.

What about the position of Brewtech? The Government has led that company along for a couple of years; it has used all kinds of peculiar devices to put the site in the hands of Brewtech. I read an article this morning by Peter Kennedy who expressed surprise that no tender was called for this project. He said that Brewtech must have thought it was a marvellous gift which it would get without tenders, and that it would be given the opportunity to build a project which was to cost a few million dollars, but eventually grew to \$40 million. There are many comments in these newspapers in front of me about what Brewtech thought it was going to get, yet now it is told it is going to be able to develop only a small bar. I have one of those at home.

Mr Pearce interjected.

Mr CLARKO: No, it is not small. What hypocritical nonsense. The people of Western Australia were told visitors were going to flock to the site on river ferries from Coode Street and Barrack Square, and a chairlift and overpasses and underpasses. I can imagine all of them crowding into this small bar. When someone asks for a can of Swan Gold, he will be told they keep only ordinary beer because there is no room for Gold. There will be no car park, so visitors will have to come on bicycles and drop them in the river. The Minister says, "We won't waste money." He said the site cost \$5 million to buy and it would cost \$3 million to turn it into magnificent river parkland. That is \$1 million less than what he now proposes to do with it. He proposes to use \$7.5 million of scarce taxpayers' funds from the State, and \$1.5 million of scarce Federal taxpayers' money. That is \$9 million the Minister wants to spend at the start of this project. Stage 1 will cost \$13.5 million, leaving \$4.5 million to be found. I do not know whether the Minister is going to provide it.

Mr Pearce: It is going to come from private enterprise.

Mr CLARKO: But the Minister has told us there is no plan, so he must be making this up. For three years the Government has been coming up with different solutions for this project, and has finished up by saying today that all we are going to have there is a small bar. I will make available my small bar from home and the Government will not have to do anything there at all. The Government should knock down those buildings. They are a disgraceful eyesore. The only attractive thing about them was some side views of buildings which appeared on the original plan in the 1890s, but what was actually built and added to in the 1920s and 1930s has left it a disgraceful place. I cannot use the word which would really describe it. It is ugly and should be demolished. That is the consistent view taken by the Liberal Party.

Mr Pearce: Rubbish. You were in favour of a residential tower.

Mr CLARKO: I challenge the Minister to find one word about that. One day my present leader telephoned me about another stage in the plethora of plans, which do not exist, about this site. He asked me for my opinion and I said we should demolish the building and turn it into a park. He said, "That is exactly my viewpoint." It has been his view ever since I discussed this matter with him, and has been mine for the whole of my life. I lived in Cottesloe at one stage in my life, and went to school in Perth, and passed the site every day.

The other point is: How can we believe the words of this Minister? He has said, yet again, today, "We do not have any plans, but when we put the plans together Cabinet will approve it and we will put it in front of the Perth City Council." What sheer hypocrisy. He took the matter out of the hands of the Perth City Council, and grossly interfered with the planning process of Western Australia. Today he has the gall to say he will put it back in the council's hands. This is a man who is a complete stranger to the truth. He said, in his own Press release dated 30 January this year -

The redevelopment of the old Swan Brewery would be subject to all the normal planning requirements . . . Mr Pearce said that claims to the contrary by Opposition Member Jim Clarko were totally untrue.

He said that normal planning processes would be followed. He must have not only an unzipped bionic lip, but also an unzipped bionic finger, because his pen moved on to 5 August 1987, six months later, when his Press release said -

The Minister for Planning, Mr Bob Pearce, has referred the redevelopment of the old brewery to the State Planning Commission.

Those two Press releases show that he does one thing on the one hand, and another thing on the other hand. I have a letter from the previous Lord Mayor of Perth, which he wrote to the Minister for Planning on 6 August 1987. The letter says -

I must express my deep concern at recent reports that you have taken steps to remove from the Council's control the redevelopment of the old Swan Brewery Site.

The Perth City Council, through its town planner, does not share my view, or that of the Liberal Party - we would demolish the buildings. However, the council, while it was dealing with this matter, and while the Minister rubbished and abused it in his normal way, took the proper step of telling Brewtech it would not agree with the proposal, because the district scheme for the City of Perth would not allow such activity on this site. The district scheme would not allow this, but who was the man who approved the scheme which prohibited a brewery, a tavern, or a small bar on this site? The Minister for Planning, in December 1985, signed the document which prohibited such things. When the council sought an amendment which would allow it to consider what Brewtech wanted to do on the site, the Minister took the matter away from the council. He falsely, and in a grossly mendacious way, argued that it had not treated the matter properly. I invite everybody to read this most important letter. It says -

The Council resolved to amend the Scheme to introduce a discretionary power which would enable such proposals to be approved if considered appropriate.

The council did not reject the proposal, but simply said that Brewtech's proposal did not conform to the plans agreed to and determined by the council, and signed by the Minister for Planning. The letter continues -

... it is very clear that the City Planning Scheme, to which you gave your final approval at a signing ceremony in December, 1985, precludes the Council from approving the Brewtech proposal in its original and modified forms. In addition, the Scheme does not provide the applicant with an avenue for an appeal.

This letter was constructed by the best planning brains in the City of Perth, and states that there is no appeal, but the Minister falsely told the people of Western Australia that they would have an appeal. That was set out in an article in the *Daily News* on 5 August 1987. On one of the many occasions on which *The West Australian* chose to put this on its front page, it said, "Brewtech bid favoured as site faces rezoning". The article stated -

The State Planning Commission has assumed ultimate responsibility for the old Swan Brewery site ... The commission will abolish the zoning on the Mounts Bay Road property and make it a public reserve.

I ask the Minister whether that has ever been done before. This proposal will brutally destroy the ordinary planning processes.

The ex-Labor mayor of Fremantle, the present head of the State Planning Authority, had the cheek to say that anybody who wants a beautiful river park on this site is a greenie. An article in the *Sunday Times* on 9 August 1987 written by Alan McIntosh states -

The brewery has been a landmark since I was a little boy and I have a real hang-up about these greenies around the place that want the river pristine, with just grass on it," Mr McKenzie said.

A total of 16 000 people have signed a petition supporting parkland on that site. Even though time does not allow me to go into great detail, others who oppose the planned project are the Royal Automobile Club of Western Australia who are experts in road safety, senior police who guardedly oppose it, doctors from Royal Perth Hospital who took up a petition against it, and the Local Government Association which is critical of the Minister's role in the matter.

As I said, the Government has finally decided to turn the old brewery site into an Aboriginal cultural centre because it has been said that the wagyl is located on that site. Only a couple of members of the Government are here and one of them is asleep. In 1836 an Aboriginal interpreter and educator, Francis Fraser Armstrong, wrote in the *Perth Gazette* that the wagyl was "an aquatic monster with very long arms, long teeth, large eyes, and having destroyed many human beings."

Mr Hassell: Did he name the Minister?

Mr CLARKO: Yes. However, I think he is a bagel.

I think it is a great pity that this is attempting to build up Aboriginal interest in this bicentennial year by putting an Aboriginal cultural centre on the site, a centre which Aboriginal leaders do not want. The work proposed to be housed in this building should be housed in an Aboriginal cultural centre at Northbridge which is what my leader suggested. This area should be returned to beautiful river parkland. I urge the Government to think about the matter again. I do not think it has the gumption to proceed with it. It has spent three years doing nothing. When we are elected to office, we will knock the building down.

MR BRIDGE (Kimberley - Minister for Aboriginal Affairs) [3.13 pm]: Mr Speaker -

Mr MacKinnon: Here he is, off the shelf.

MR BRIDGE: Yes, off the shelf. What we have seen today is an example of a team that does not have the faintest idea about what is going on or about the issue it is discussing. Despite the fact that the issue should concern us all, what comes out of today's debate should concern all Western Australians because members of the Opposition are not worthy of representing them in this Parliament. What a sad day it is that these people, who do not understand the fundamentals of Government, have gone on the way they have. Let me go over events of the last couple of days to indicate how far off the track members of the Opposition are. It has attempted to create an emotive debate today based on a newspaper article that appeared yesterday.

Mr MacKinnon: You gave the Press the article. You leaked it.

Mr BRIDGE: I did not give the Press anything.

The SPEAKER: Order!

Mr BRIDGE: The Press is entitled to publish whatever articles it likes. We do not control what the Press writes. However, the reality is that the processes which have been gone through in the last couple of days are fundamental to the Government's deliberations. I am sure the member for Floreat will agree with what I will say today because he happens to understand Government procedures, which his colleagues do not. It was necessary for Cabinet to consider questions of principle to be adopted in respect of the project. That is a normal procedure that should be discussed by Cabinet and it is exactly what it did. As a result of the acceptance of those principles, we then considered the planning process - the next phase. Having accepted the principles, we then had to undertake the consultative process. The Leader of the Opposition is a weak link in the Opposition.

Mr MacKinnon: You are a joke.

Mr BRIDGE: If I am a joke, the Leader of the Opposition is an idiot.

Mr MacKinnon: No wonder they let you off the shelf only occasionally.

Mr BRIDGE: Cabinet considered the project and made decisions about what should be done with the site.

Mr Clarko: It has only taken you three years.

Mr BRIDGE: So what if it has taken three years? The consultative process is vital. The Opposition has said this afternoon that it is essential we consult with interested parties.

Mr Clarko interjected.

The SPEAKER: Order!

Mr BRIDGE: Until yesterday, it was not appropriate to consult with anyone because the matter was being considered by Cabinet. Today, it was important that we consult with Ken Colbung. This morning I visited the brewery site with Ken Colbung to allow him to indicate to me at the site his views on various aspects of the proposal that he understood were being considered by the Government that might be of concern to him and which the Government should take on board. We had a very orderly and constructive discussion in which Mr Colbung detailed the various significant areas of Aboriginal interest. As a result of that meeting we reached an understanding that the interests of Aboriginal people could be accommodated while allowing also for the broader community interests in that area. We went through the appropriate consultative process.

Mr Court: You have held no consultations.

Mr BRIDGE: This Government always consults with interested parties, which is something the Opposition does not understand. The Opposition cannot deny that.

Mr Court: You have consulted with no-one. You said it was a Cabinet decision until today.

Mr BRIDGE: We have.

The SPEAKER: Order!

Mr BRIDGE: This morning we held appropriate discussions with the leader of the Aboriginal community in Perth, Mr Ken Colbung. Those discussions were very productive and, I believe, successful. We are now in a position to be able to move on to the next part of the process, the development of the project in an orderly way and in consultation with the appropriate people.

Mr MacKinnon: What are you talking about? You said there was no plan.

The SPEAKER: Order!

Mr BRIDGE: This site is a magnificent one which, carefully planned and handled, will provide a wonderful facility for not just the Aboriginal community but the Western Australian community as well.

Mr MacKinnon: Why don't you want the Aboriginal interests to be accommodated in the Perth Cultural Centre?

The SPEAKER: Order! I would appreciate members' cooperation with interjections. A

member, after being given the call, is entitled to make his speech. I believe it is perfectly reasonable for members to ask the member on his feet a question or to interject from time to time. However, if interjections are so incessant as to be more obvious than the speech of the member who has the call or are designed to put that person off his speech or are so quick as to not allow that person to answer them, I will stop all interjecting. If members are not prepared to cooperate, I will stop interjections altogether.

**Mr BRIDGE:** This matter is a significant one. I have attempted to go through the mechanics of what happened in an orderly way to inform the public. The procedures are as I have outlined. Cabinet considered the matter as a matter of principle. We have reached the stage of talking to the people who are likely to be involved in the project.

With respect to interest from Aboriginal people, I advise the House that this morning Mr Colbung and I visited the site. Naturally, as this project develops, a consultative mechanism will be put in place and people will be consulted.

**Mr Clarko:** Will you have it completed by the year 2000?

**Mr BRIDGE:** Yes, we will. If we are able to achieve agreement for the project it will benefit Western Australians, and it will be a marvellous thing. I remind the Opposition that this is the bicentennial year and it is important that there be at least one significant project in the Perth metropolitan area which enshrines Aboriginal culture. It is an absolute requirement on all of us, if we are serious about setting the foundations of a cohesive and conciliatory future for this country, to agree collectively to a set of arrangements which would result in at least one major project being attributed to the Aboriginal people and being identified as having Aboriginal significance.

**Mr Clarko:** They do not want the building.

**Mr BRIDGE:** That is not true.

**Mr Clarko:** They said it last night.

**Mr BRIDGE:** Mr Colbung did not say that; he said he had not been consulted and, at the time, that was correct. It so happens that Mr Colbung is not a Cabinet Minister and he was not party to Cabinet consultations. If at the end of next year or during this year the Government is able to commit itself to this project, it will be a marvellous thing for this State and will be of significance to the Aboriginal people. This morning as I talked through the importance of the dreamtime spirit with Mr Colbung, it became increasingly evident to me that this matter is of real importance to the Aboriginal community.

**Mr MacKinnon:** It is not what he told us months ago.

**Mr BRIDGE:** It is important.

**Mr MacKinnon:** Why did you ask him then? He has been expressing his objection for months. In fact, he spoke to me a year ago and expressed his objection.

**Mr BRIDGE:** The Opposition must take on board the interest that the Aboriginal community has in this site.

**Mr Clarko:** They do not want to build on it.

**Mr BRIDGE:** That is not true.

**Mr Clarko:** They said it last night.

**Mr BRIDGE:** The Opposition will, in the future, realise that that is not the case. It merely involves a requirement of the Government by the Aboriginal people with regard to the delicate areas on the site. The development must be planned in an orderly sense to avoid damage or any contact with those delicate areas. As long as the Government undertakes to do those sorts of things the Aboriginal community has not spoken about the development of the site.

What we have seen in this Chamber today is an attempt by the Opposition to generate a rather emotive debate which has been brought about by a newspaper article which was published yesterday. Regardless of the origins of that article it did not reflect the true situation in which Cabinet was involved at the time; that was, the principle in respect of this project. As a result this matter of public importance is, of course, without foundation.

Mr Clarko: About 16 000 people signed a petition.

Mr BRIDGE: The Opposition has put forward a weak argument. However weak or futile is the Opposition's argument, the most distressing feature is the clear illustration of what little knowledge it has about the mere fundamentals of government. The Opposition does not have a clue what it is talking about, as it has clearly illustrated today.

MR COWAN (Merredin - Leader of the National Party) [3.26 pm]: The National Party is very pleased to support this matter of public importance moved by the Liberal Party. It supports the view that the Swan Brewery building should be pulled down. We do not need to retain a monument to an industry that was located on the river and which polluted the river for years. It has absolutely no architectural significance.

Dr Alexander: That is a subjective judgment. Several people disagree with you.

Mr COWAN: My subjective judgment is that it has no architectural beauty and it can be easily erased from the minds of everybody if the building is pulled down. There is no question that the majority of the Western Australian public would like to see that building pulled down. They would like only the limited amount of development that is necessary to suit passive recreation on that cleared site; there is no question about that.

The trouble is that this Government paid \$5 million for the site and ever since 1983 it has been trying to get some financial return for those pieces of property which are vested in the Crown. If the area were to be made public open space for recreation, the road realigned, and the public given some development which would satisfy the demands of people who use public open space it would be acceptable. However, someone has said to the Government that if a person is allowed to develop the site, include a brewery, have a small bar within the building and charge rent for it, some income will be obtained. Although it might be what the Government wants, it is not what the public wants.

I have not had any discussion with Aboriginal people about the use of this area for some form of Aboriginal museum or something that would satisfy their need to preserve their culture and their heritage. However, it strikes me that this Government is running very close to the position where it is using Aboriginal people to justify the retention of the old Swan Brewery building and the redevelopment of that building for purposes to suit itself - in other words, for the purpose of being able to draw from that redevelopment some form of annual income in the way of rent. It is a matter of which I think the Aboriginal community should be very wary and something to which they should object strongly.

I am sure someone could present a case for the need to provide some facility for the preservation of Aboriginal culture. However, no-one has told me that it should be on the old Swan Brewery site. If that were to be the case, it should be a separate development. It does not need to be something put into a building which, as I said earlier, has no appeal to me and certainly no appeal to the majority of Western Australians.

My recommendation to the Government is to tear down the building, realign the road, give the land back to the Kings Park Board and allow some development of the site that would satisfy the people who would use public open space, and if that includes some provision for Aboriginal people, so be it. It does not mean the type of development this Government is talking about purely and simply because it wants to recover funds on an annual rental basis.

MR COURT (Nedlands - Deputy Leader of the Opposition) [3.30 pm]: The public hoped that with the appointment of a new Premier the decision of the Government to have a commercial redevelopment on the old Swan Brewery site would be reversed. However, members of the Government have not understood that people do not want any redevelopment of the site, whether in the form announced today or in any of the different forms that have been announced over recent years. I urge members opposite to use a bit of commonsense.

The Minister said that he inspected the site this morning with Mr Colbung. At that site the Minister would have witnessed a constant stream of traffic. Traffic in the area is constant during peak hours and at other times during the day. Commonsense would tell members opposite that the site should not have any commercial development on it. If members opposite went to the site on a weekend they would see that the traffic is just as constant due to the number of people using the foreshore area. All the car parks in Kings Park are chock-a-block on weekends. No matter what the weather, it is almost impossible to move up there. If development of the Swan Brewery site takes place, more pressure will be put on parking in

Kings Park because there is nowhere else to park. Only a limited number of parking spaces are available on the site, so more pressure will be put on Kings Park. Commonsense would dictate that the site should not be used for the sort of development proposed by members opposite.

I suggest to members opposite that if they wish to make themselves popular and be seen as big people by future generations, they should have a good look at that site. They should not try to shoehorn a development into that site. Whether members like it or not, the extremely busy road going around that site does not lend itself to the type of development that is being put forward. The Aboriginal people have also made their position very clear. They have opposed the proposal put forward by the Government.

Question put and a division taken with the following result -

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Ayes (21)			
Mr Blaikie	Mr Grayden	Mr MacKinnon	Mr Watt
Mr Bradshaw	Mr Greig	Mr Mensaros	Mr Wiese
Mr Cash	Mr Hassell	Mr Schell	Mr Maslen ( <i>Teller</i> )
Mr Clarko	Mr House	Mr Trenorden	
Mr Court	Mr Lewis	Mr Fred Tubby	
Mr Crane	Mr Lightfoot	Mr Reg Tubby	

  

Noes (28)			
Dr Alexander	Mr Evans	Mr Parker	Mrs Watkins
Mr Bertram	Dr Gallop	Mr Pearce	Dr Watson
Mr Bridge	Mr Grill	Mr Read	Mr Wilson
Mr Burkett	Mrs Henderson	Mr Ripper	Mrs Buchanan
Mr Carr	Mr Gordon Hill	Mr D.L. Smith	( <i>Teller</i> )
Mr Cunningham	Mr Hodge	Mr P.J. Smith	
Mr Donovan	Dr Lawrence	Mr Taylor	
Mr Peter Dowding	Mr Marlborough	Mr Troy	

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#### Pairs

Ayes	Noes
Mr Stephens	Mrs Beggs
Mr Thompson	Mr Tom Jones

Question thus negatived.

## BILLS (4) - MESSAGES

### *Appropriations*

Messages from the Governor received and read recommending appropriations for the purposes of the following Bills -

1. Silicon (Picton) Agreement Amendment Bill.
2. Acts Amendment (Parliamentary Superannuation) and Transitional Arrangements Bill.
3. Supreme Court Amendment Bill.
4. Agriculture Bill.

## ROAD TRAFFIC AMENDMENT BILL (No 3)

### *Introduction and First Reading*

Bill introduced, on motion by Mr House, and read a first time.

## ACTS AMENDMENT (EDUCATION) BILL

*Second Reading*

Debate resumed from 2 June.

**MR FRED TUBBY (Dale)** [3.39 pm]: We will not oppose the Bill before the House for two reasons. First, the name changes of the Department of Education to the Ministry of Education and Director General of Education to Chief Executive Officer have been in effect for the past 18 months. Thus, the Bill before the House merely legitimises a fait accompli. Secondly, it is my belief that most of the changes with respect to the provision of funding for private schools were effectively moved in the last State Budget. I am concerned that changes such as these can be brought into effect some 18 months before the Bill comes before the House. That is totally abhorrent to everything that members on this side of the House stand for. It is rule by Executive Government in contempt of Parliament. The Government should be berated for this. It does this on numerous occasions. The latest, of course, was the Geraldton Mid-West Development Authority Bill, which we debated here last week or the week before. At this stage there is little point in our opposing either clause of this Bill. I will discuss, first, the second part of the Bill regarding funding for private schools. This is in two parts, the first in regard to loan funding. In the past, as members of this House probably realise, loan funding for private schools for capital works was based on a subsidy of interest rates. Private schools went out into the open market and borrowed funds and the Government subsidised the interest rates so the schools were not crippled by high interest rates. This approach has now changed and the Government will now go out and borrow the funds and the schools will borrow directly from the Government at a highly subsidised interest rate. We are not opposed to that. I believe that most private and independent schools are also in agreement with this proposal, but I will mention a couple of areas of concern. First, we hope there will be no more interference in regard to the raising of these loans as there was in the past; in other words, we hope that the Government will not impose its will on the types of structures that private and independent schools can put on their campuses.

Secondly, how will this affect the capital borrowing program for our State Government? Will it affect that area significantly? With regard to the recurrent funding made available to schools each year, the main change we see in this Bill is that recurrent funding to organisations that run a whole series of schools - such as the Anglican schools system or the Catholic Schools Commission - will no longer be made available to individual schools but will be given as a large grant to the organisation running the schools which will, in turn, divide it up among their schools as they see fit. We hope the smaller independent schools will not be ignored in this process while the major systems are looked after. They are a few of our concerns with regard to the funding of private schools. However, because they are in the main accepted by the independent schools system, we will not oppose that clause of the Bill.

So far as changes to the names are concerned, it is interesting to see the long name that now exists for the former Education Department, which has gone from a capital "E" and "D" to a lower "d" department which means the department of the Public Service principally assisting the Minister in the administration of this Act. Anywhere in any Act where Education Department with a capital "E" and "D" appears it will be replaced by lower case letters because of this long definition.

Likewise, wherever Director General is mentioned that now becomes "chief executive officer", the initial letter not being capitalised. Effectively those changes mean that the Government of the day can change the name of the Education Department as we knew it and the Director General of Education as we knew it at will and can change the whole concept of education in the State education system. I am a little alarmed at this, because it opens up the gate, whenever we have a change of Government, for a Government to completely change the whole concept and structure of the former Education Department. I do not think we should be bringing politics into the State education system to this degree.

As I have said before, this change took place some 18 months ago and we are only now debating the Bill, so it would be irresponsible of us to try to change the whole structure by opposing this Bill. Therefore, we will not be opposing it, but will be using this debate to discuss some of the changes to our education system under the guise of changing from an Education Department to a Ministry of Education.



In my maiden speech I mentioned quite a few of these areas of concern, so I will not go through them again. However, I will mention the politicisation of the department. At the end of last year we lost more than 1 000 years of accumulated educational experience from the former Education Department and a lot of young people have been promoted to senior positions within the department. That is not necessarily a bad thing in itself, but many of these people are inexperienced and some are not professionals, yet have become senior officers within the former Education Department, taking a significant influence in what I see as the professional area of the department. Morale is at rock bottom within the system because people so young and inexperienced have been promoted to such high office. It does not give anyone lower down the rung the hope of attaining higher status, and morale is not good for that reason. Also, the system is in chaos. If one tries to ring the Education Ministry nowadays to ask a simple question they are shoved around the place until somebody owns up to knowing a little bit about what is going on.

One small area I will mention is that of insurance. There has been the case of an inexperienced young fellow taking over a senior position in the department some 18 months ago and, in February last year, changing significantly insurance policies for schools. No prior warning was given about that, it was simply gazetted in the *Education Circular* that from the beginning of last year schools were to pay the first \$200 of every claim for goods stolen from their premises; no warning, no nothing, just printed in the *Education Circular*! A few of us saw that notice and were a little alarmed, but nobody seemed to know much about what was going on because this fellow had apparently made that decision off his own bat and put it in the circular. When schools were broken into, and things were stolen, claims were submitted, as had always been done in the past, only to find those claims being returned because we had to pay the first \$200 of every claim. The schools, of course, had no control over policies the department took out. Also, we had no control over the security of our premises because the department looks after security. We had no source of funds with which to fund the \$200 for every claim. We were told to take it out of school funds. School funds, of course, come from school grants and school grants are given for specific purposes. We could not take money out of that, so where did we go? We went to the P & C, to the local community to raise that \$200 for every claim. The school I was at at that time was broken into twice and was up for \$400. The P & C came good. I do not see that there is any equity in that system because some schools can well afford the \$200 for every claim while other schools could not afford it, particularly schools in poorer areas. Where do they get the money from? It has to come out of their school grant, so money is being diverted from the purpose for which it was intended to be spent within the school and is being sidetracked into paying off this first \$200 of every claim.

That is one small incident of an inexperienced person being promoted to a senior position and not knowing what would happen if he made such a decision off his own bat. The school system suffered for 12 months. I was on a committee which recommended that this change be thrown out. But, for the whole of 1987, every time a school was broken into and things were stolen each school in the State so affected had to front up with \$200 for every claim. That money has not been refunded by the department.

Another change is that the existing 13 regions have increased to 29 districts. I do not know how this Government intends to save money with this exercise, I really do not! In the past, district superintendents were based at regional offices. The 13 regions were changed into 29 districts and they all have individual offices; anyone who has been to the Armadale office, which is a marvellous edifice for the Education Ministry - and I am not berating that - would understand my concern about whether we can afford it. We have extra clerical assistants and advisory staff in 29 districts as against 13 before. These districts which have been operating now for six months in their individual locations have already started to become very parochial. They are not too interested in exchanging ideas or advisory teachers across the districts. In the south east region, with which I am familiar, we may have had 13 or 15 advisory teachers in a whole range of expert areas which were available to the vast area of the south east metropolitan region. These people have now been split up into districts and we might end up in Armadale with four or five advisory teachers. These people are no longer specialists; they have to cover a whole range of fields, therefore the level of advisory assistance is not as good as it was before.

If a district happened to get a music specialist, it would be very well served. We had an

excellent adviser covering the south east region in 1987, but she is now being underutilised in just a few schools, and other schools in nearby districts do not have the same opportunity of having her expertise as they had in the past. Part-time advisory teachers for music are coming in to try to fill the gap. That is not good for education. It is bad for many reasons, because not only is music suffering, but so too are all the curriculum areas where teachers are trying to cope with a whole range of advisory areas rather than their own area of specialisation.

Resource centres are still located, to the best of my knowledge, in the old regional offices. If we locate regional resource centres in the old regional offices and expect all the schools to operate from those, why did we break up the whole region and change it into districts? We could easily have retained superintendents in charge of certain schools, call them districts if necessary, but have them based at the regional offices where all the districts would have access to advisory teachers plus the resource centre. We could have saved on secretarial staff as well. It is an expensive waste of money to do what we are doing in regard to the districts.

We have seen the music branch decimated. There is no longer coordination of the music program throughout the State. As I mentioned in my maiden speech, one of our senior high schools came second in the world in an international competition in Europe some years ago. Where is the leadership to carry out this program throughout the State? Kelmscott has a school band, and so does Armadale. Parents want to know what is to happen with regard to the hire of musical instruments. Some of these instruments cost up to \$10 000. Parents hire them at \$60 a semester, or \$120 a year. Children take them for five or six years, some for a little less. It is a great imposition to expect parents to buy rather than hire instruments because some children drop out and the parents are left with these very expensive instruments.

Specialist advice is no longer centralised in one spot; it is all over the place. A person may be lucky enough to be in a district with a good music specialist; if not, he will lose out. Education support is also a very specialised area. That now comes under the guidance of a consultant in the department under the control of the district superintendent. But the district superintendent concerned may be the ex-superintendent of manual arts, or home economics. Those people would have problems superintending other areas in senior high schools, let alone primary schools or early childhood units or pre primary schools. Where would their expertise find them in regard to specialist areas such as education support centres? It will have nothing but a deleterious effect on education support in our State.

Children need education support in respect not only of learning difficulties, but also all the other areas of handicap such as physical impairment. These children will not be adequately catered for, because the specialist area of concern is no longer there. It has disappeared as a result of our new ministry structure.

The physical education branch has gone exactly the same way. Some time ago the then Minister for Education told us that in-term swimming would be organised on a centralised basis through the consultant on physical education in the Ministry of Education. Rumour has it at the moment - I am not one to go on rumours but this is a fairly strong one - that in-term swimming will be thrown back to the schools to coordinate and organise. If that is to happen, in-term swimming, which is a very important part of the physical education program, particularly in primary schools - in some cases it is the only opportunity children have to learn to swim - will go by the board, as we warned it would some 12 months ago when the Minister gave us the assurance that this would not happen.

There is no subject superintendent to oversee each individual curriculum area within the ministry. We have a curriculum director, and curriculum writers, but no senior person, no superintendent in charge of mathematics, science, social studies, manual arts, or the other major curriculum areas. The one time when we did away with the superintendents in the specialist subject areas was the very year that we needed them the most in the history of our State, and that was when the Unit Curriculum was implemented. We desperately needed them then to coordinate the Unit Curriculum programs being written throughout the State. The one time when we needed people to oversee this program in the curriculum area we wiped those people out. We told the schools, "Do your own writing of Unit Curriculum." If we were ever to do away with subject superintendents, the worst time we could have done so was when we needed them the most. That was a very bad move. Not only did the subject

superintendent provide leadership in their own curriculum areas, but also they were a vital link between the schools and the senior masters, the teachers and the curriculum writers in the department. They liaised when the new curriculum came out. For instance, in social studies the superintendent was working with the curriculum writers, and when it was ready to be put into the schools he went out to the schools and in-serviced the teachers in the area of social studies. That has all gone. I do not know where we will go now that these people are not there. I do not think that the consultants, by the very nature of their name, can fill this vital role.

Another branch is the library service branch. I rang the Ministry of Education yesterday to chase up this branch, and I cannot for the life of me remember the name it now has. I was assured that this branch took over from what was previously the library services branch. At this stage this branch is only reviewing books. The library services branch used to review all the books on the shelves, especially in the primary schools, and write a small review of each book, which was put into a booklet and sent out to the schools. It would say how much the book cost, and we could then order through the library services branch. That service is still available, thank heavens, otherwise country schools would have been in all sorts of problems. But the one area which has gone is the processing of these books. Previously, when the books had been ordered, they were delivered to the library services branch, and when we finally received them they had been processed. They had covers, spine labels, pockets, date due slips and everything. The catalogue cards were in them; we took them out, put them into the library drawer and put the books on the shelves after stamping them with the school stamp. That was our responsibility. We had library aides in some of the bigger schools to do this. In the smaller schools the job fell to the principal or whoever he could find to do it for him. If we had some good working mums around the place, they used to come in and stamp the books, take the cards out, put them in the draw and put the books on the shelves. That service has now gone and we have a beautiful system whereby the books now front up at the school uncovered and straight from the publishers. We have to make a list of these books on an order form, which we send down to the so called library services branch, which puts them through its computer list, and anything up to six weeks later we get our catalogue cards back. We then have to process these books. We have to store them somewhere in our schools for six weeks. I do not know whether members have ever been into a primary school but if they do go, they should look around at the storage space available. If all the library books come in in one great hit, where on earth does one store them for six weeks? Nobody can touch the blessed things, so where can they be stored until the cards arrive? When the cards arrive, we have to go out and cover the books. We have to find somebody to cover them; we have to buy the plastic to cover them and we have to put on the spine labels and the pockets. In short, we have to do all the processing and the stamping, and put the books onto our shelves. Who will do it for us? Do the principals in the small schools do it?

Dr Gallop: Minister, I hope you have your dummy for him. He certainly needs it.

Mr FRED TUBBY: My friend, you do not know anything about it.

Dr Gallop: Absolutely pathetic whingeing.

Mr FRED TUBBY: The member for Victoria Park does not know anything. If these sorts of responsibilities and extra work loads are passed onto the schools, who will be responsible for doing it?

Dr Gallop: Professional people.

Mr FRED TUBBY: Which professional people?

Dr Gallop: School teachers.

Mr FRED TUBBY: The school teachers are to cover library books. Minister, is that what school teachers are for - to cover library books?

Dr Lawrence: I will answer that question in a moment. I might say that this has nothing to do with the Bill.

Mr FRED TUBBY: We are talking about the changes to the ministry. These are some of the changes that have occurred since the department became a ministry. Is it expected that school teachers do this? I am glad that the Minister did not agree with the member for Victoria Park.

Dr Gallop: I did not say that.

Mr FRED TUBBY: The member said that school teachers should cover the library books. The member should go to a senior high school and see how many new library books come in every year. Go into a primary school.

Dr Gallop: You have no notion of people looking after themselves.

Mr FRED TUBBY: A few years ago we had school auditors who used to come around and audit the school books in primary schools. Now we have an honorary auditor; we are imposing more things onto the local communities to try to organise for no cost. If members opposite want to save money, that is fine, but they should be honest and tell the parents that their responsibilities now include covering library books because the Government can no longer provide that service.

Mr Cash: Even the Labor Party makes excuses for the member for Victoria Park, so don't worry about that.

Mr FRED TUBBY: I suggest that the member for Victoria Park go into any primary school and tell the teachers that they should be covering library books. That is exactly what the member for Victoria Park said. If this Government wants to do away with the services of the five people who were working in the library services branch doing this task, and it wants to put people into schools to do the job, that is fine. However, the Government should not expect the schools to pick it up with no help and no assistance whatsoever. That includes buying the plastic.

Dr Gallop: You are supposed to be addressing the Chair.

Mr FRED TUBBY: The member should not interject, or if he does so, he should do so intelligently.

The SPEAKER: This is one of those rare occasions when I have not actually read the Bill before the House, so I am unable to ascertain whether the interjection by the member has any foundation; namely, that the points the member is raising do not have anything to do with the Bill. I leave that to the member's judgment, but I advise him that if they do not have anything to do with the Bill, perhaps he should draw them to some sort of conclusion and get on to matters concerned with the Bill. If they do, by all means continue.

Mr FRED TUBBY: Thank you, Mr Speaker. The Bill we are debating is concerned with the change in name of the Education Department to the Education Ministry. In the process of changing the name, which is a simple thing to do, we have changed the whole structure from what everybody knew and recognised the Education Department to be to a completely new structure which has been set up under the Education Ministry. These changes have been implemented during that process, so therefore, if I may continue -

The SPEAKER: Whatever you say.

Mr FRED TUBBY: Thank you, Mr Speaker. As I was saying, before I was rudely interrupted -

The SPEAKER: Not by me!

Mr FRED TUBBY: Not by you, Mr Speaker, but by the member for Victoria Park. School responsibilities have increased quite significantly in this changeover. More work has been thrust upon the schools in the area of the Unit Curriculum, which was referred to earlier. A lot of stress was placed upon staff and the same sort of thing is occurring with the primary schools. We have school based decision making. We have school councils; we have to develop school development plans; we have to cover our library books; we have to do a whole stack of things which in the past we never had to worry about, or rather, only the principals worried about them. A lot of time is being consumed by teachers doing duties other than teaching or preparing to teach. No extra staffing has been provided to take on these extra tasks. Teachers are expected to do them out of hours.

Dr Lawrence: Schools received additional clerical assistance.

Mr FRED TUBBY: We greatly appreciated that too. In the past schools had to be very large to qualify for one full time clerical assistant. Those big schools have been increased up to 1.6 clerical assistants per week. It was a great increase which was greatly appreciated. The

only problem is that the ministry forgot that these people need somewhere to work; they need a chair and a desk to sit at and to work from; if they are clerical staff, quite often they need a typewriter, and in primary schools we do not have any of those. We have the personnel, but we have nothing else. We had to go to our district officers and apply for extra desks, chairs and typewriters. Guess what the answer was? There is no money.

Dr Lawrence: I have not had a single complaint from a school about that.

Mr FRED TUBBY: Schools were so pleased to get the extra staff that they shoved them all over the place doing all sorts of things. The point is that they were not given any of the resources -

Dr Lawrence: It cannot all happen at once. You need accommodation to do administration.

Mr FRED TUBBY: What is the point of having people wandering around when they do not even have a desk to work at? Or anywhere to work? I will not deny that they were desperately needed in schools, but the point is that no thought was given to the resources needed for it. They went to the district officers who, where they could, found the funds to provide the resources for these people to be able to work; but in the main they were told there were no funds available. There were shortages of funds to provide desks and chairs. I have been into some primary schools and I have seen that situation, particularly in the big schools. In schools of the size of the one I was at it did not make a great deal of difference because we received only an extra 0.2 clerical assistance, which represented one day a week, and for that one day a week we managed with no problems. However, the bigger schools had problems because they suddenly went from one full time clerical assistant up to 1.6, which is nearly two full time clerical assistants. Without those resources, the second clerical assistant is wasting her time in a lot of cases, or else she is working under conditions which are not conducive to doing a great deal of work.

I am not sure whether the matter of minor works fits into the restructuring of the ministry, but in the south east region in 1986 they were in the order of \$260 000 while in 1987 they were in the order of \$68 000. By any standard, that is a major cutback. Requests for improvements to schools are all referred to the district minor works committee. Previously, requests for minor works could be dealt with in one of two ways. They would either go to the old Public Works Department and when money was available it would do as much as it could for them or the request went to the minor works committee set up in the regional offices which then provided the funds to do the work. Once the BMA was established, minor works were no longer dealt with that way. All requests from schools are now sent to the minor works committee, but there are not enough funds available. In fact, the amount was cut from \$268 000 to \$68 000 in the south east region, resulting in almost a wipe out of the works funds.

There have been some discussions within the structure of the ministry, that minor works funds will be added into school grants. The talk is that, in deciding on how much will be given to schools, an average of the last three years' minor works money will be divided up among the schools. The schools will then solve their own problems. If that is so, I believe there will be little money for minor works and no equity between schools. New schools will not need funds for minor works. Unless this can be taken into account, I believe the whole system will come to grief.

We have no argument with the change of name from the Education Department to the Ministry of Education. However, we do argue with the administrative changes which have been implemented. I cannot see that many of these changes will be of any great benefit to schools. I believe that many will create a major increase in the workload of schools. I was at a senior high school P & C Association meeting last night at which the principal announced he was to lose three teachers. According to him, the ministry is currently advertising widely for teachers and they are becoming hard to find. He is losing his maths teacher, his science teacher, and his art teacher. He was concerned that, even though they would be replaced, they may not be of such high quality as the teachers he was losing. As I said, there is a shortage of teachers as is evidenced by the fact that the department is advertising so widely.

Why do we have this great shortage? We have always had a shortage in the maths and science areas, but that shortage is becoming greater and greater. I can only suggest that we are imposing a greater burden on teachers, schools and communities with these changes, to

the extent that they cannot cope. Teachers are getting out of the system. If the unemployment situation were not as tight, I am certain that more teachers would be leaving the system. I do not think this augurs well for students in this State.

With all of these changes, very little emphasis has been placed on the children. I do not think the Better Schools report mentions children at all. We are getting away from the important issues of education. Schools are for children, not for covering library books or other matters recommended by experts. We are probably saving money but destroying the education system.

In my initial remarks I referred to Executive power. I think it is a shame that it takes 18 months for changes to legislation to actually reach this Parliament. I do not believe there are too many people here who have not read George Orwell's *Animal Farm*, about how the pigs formed a better system. They ended up becoming jackbooted fascists. I wish to read something that could come from *Animal Farm*, as follows -

Whenever changes take place it's important to the people who are affected by them to be reassured that changes are in their best interests.

Mr Thomas: Read it slowly, will you?

Mr FRED TUBBY: I will read it slowly so that Government members can grasp the significance of its resembling something from *Animal Farm*. It reads -

Whenever changes take place it's important to the people who are affected by them to be reassured that changes are in their best interests.

Mr Thomas: Who said that?

Mr FRED TUBBY: Bob Pearce said it. His is the only name that appeared in a beautiful little book entitled "Making school work better". It was supposed to be sent out last year to all parents of children in the State school system. That quote comes from the end of that booklet. It is amazing how much it sounds like something out of *Animal Farm*.

MR SCHELL (Mt Marshall) [4.16 pm]: The National Party does not oppose the Bill. However, I ask the Minister for Education to enlarge on how she believes low interest loans will achieve greater flexibility over an interest subsidy scheme extended to achieve the same levels of interest on borrowings. From my inquiries, this is the only area about which there are any doubts. These changes could lead to a greater Government control over non Government school development. Like the member for Dale, I am concerned about this area. The benefits gained from this Bill are minor when compared with the overall benefits that non Government schools would gain from more balanced funding by the Government.

Dr Lawrence: Like what?

Mr SCHELL: I will enlarge on that as I go along.

Children attending non Government schools will save this Government \$130 million this financial year. In view of the growing role played by the non Government school system, especially for country children and more and more children in the lower socioeconomic groups whose parents have chosen the private school system for many reasons, the National Party believes that a greater contribution by the State Government to the level of Federal Government assistance would be a responsible investment in the future for many of the State's children. The funding for this year totals \$41 million. If it were extended to \$70 million it would close the gap to a certain extent between Government and non Government schools and would bring the cost variation per child down from \$1 400 to about \$850. I believe that is a much fairer contribution for people who choose to send their children to non Government schools.

My constituents rely heavily on the non Government sector and I am aware of the hardships that country people face in educating their children when they have no choice but to board their children at non Government schools. I know that people choose the non Government school system for other reasons. However, they are also worried about the security of their children. Perhaps they have no reason to be worried, but they do have a right of choice.

Dr Lawrence: Is that the only reason you think they make a choice?

Mr SCHELL: No, there are several reasons.

Dr Lawrence: Just security?

Mr SCHELL: That is one reason. Another is religion, and some people believe they will get a better system of education. It is their right, and their choice. The National Party will support this Bill.

DR LAWRENCE (Subiaco - Minister for Education) [4.21 pm]: I thank both the Opposition parties for their support for this Bill, the main objective of which, as will have been gleaned from listening to at least the first section of the speech of the member for Dale and that of the member for Mt Marshall, is that we are trying to revise the provisions of the Education Act relating to the granting of financial assistance to non Government schools, and authorise a low interest loan scheme, which was announced last year but which has not yet been put into effect. We have been waiting until the end of the financial year, and the reason the scheme is being put through now is so that we can implement it on 1 July. It is not something that has been snuck in. Further objectives are to formalise the adoption of the titles mentioned and, in a generic sense, apply the words "department" and "chief executive officer" in the Act and in accompanying and other effective Acts.

I will take a few moments to address the issues that relate to the Bill and briefly address the general list of gripes about the education ministry, but it is not appropriate to refer to those that relate not at all to the restructuring that has taken place in the last 12 months, because they are not pertinent to the Act.

The question of the low interest loans is very important from the point of view of the non Government sector. That sector was consulted very closely about this scheme in preference to the previous one, and the Catholic, Seventh Day Adventist, and Anglican education systems were very keen that they could operate as block grantors of some of this money in relation to the recurrent funding. The Bill also attempts to achieve an improvement in administration of that funding from the point of view of the major systems. Those are the main purposes of this Bill, and should not be overlooked as such.

There is no more interference proposed in those school systems. The same accountability is required of them as was required under the previous scheme. They have to be effective, as they had to be under the previous scheme; and they have to come under Commonwealth funding. We require no more or less than that. The schools have to operate appropriately within their local environment. We are not going to tell school administrators which buildings they can and cannot build, but we will tell them - and this is the critical element in the Bill - that if they are building an addition to accommodate fee paying overseas students who are not Australian permanent residents, we will not give them all of the money; we will give them the portion which relates to their students who are permanent residents. There will be no interference with the buildings schools wish to build except in relation to standard regulations and the registration of schools from the point of view of loans from the Commonwealth. Those points need to be kept carefully in mind, rather than having people wondering about a subterranean agenda which might bring those school systems under greater control.

The member for Mt Marshall indicated that we should close the gap between non Government and Government sectors. The responsibility of the Minister for Education is for all schools and all levels of education. From the point of view of the taxpayer it has always clearly been the case that it is the responsibility of the State Government to provide for free, compulsory, secular education, to a particular age - as I am sure all members would agree.

To the extent that individuals, on a religious or other basis, might want to take their children away from Government schools, it has always been agreed - I thought on a bipartisan basis - that there would be assistance to those other schools; but it would not correspond directly with Government assistance. This is because we will always have the responsibility for providing schools, no matter whether there are independent schools available. For instance, the Catholic Education Commission might wish to build a primary school in Widgiemooltha, and as there will be students in the community who would not wish to attend a Catholic primary school, the Government still has the responsibility of providing for the education of the children who expect to receive that secular education.

We cannot allow willy nilly duplication of the Government's system with independent schools. Having said that, it is fair to say that the State Government has provided, over the

last five years, an increasing proportion of its funds to the independent schools sector, not by eroding money available to the Government sector but by gradually increasing the total amount of money paid. Western Australia now has the highest amount, of all States in Australia, paid to the non Government sector. It amounts to \$675 per child per annum. We have gone further than anyone else in this respect, and if we take further steps in this direction we run the risk of running down the Government school system in a way which would be totally unacceptable to the voters and people of Western Australia. The member for Mt Marshall, if he is listening, would find that if he closed the gap with the sort of money that he talked about - from \$41 million to \$70 million - there would be a considerable backlash within the community if it resulted in the failure to provide Government schools in all the areas of our State where they are needed. I might add that it almost certainly would have that result. It is important to correct those perceptions.

I will touch on some other issues briefly, because I was a little bemused by the long list of complaints from the member for Dale about the education system. One issue is that the devolution of some responsibility and power to schools and districts is, of itself, and in every way, a bad thing. Yet, over the years, many bodies including parent groups, the Western Australian Council of State School Organisations, and teachers' unions including principals and deputies associations, have asked for greater control at their own level with greater ability to respond to the local community needs, less of the bureaucratic hand hanging over them, and more opportunity to develop programs and use resources in a way that they and the local parent groups judge to be in the best interests of schools. I know it is impossible to please everybody all the time, and when a system is changed there are people who will be affected by that change who judge it to be wrong, and will have reasons for thinking so. Some of those reasons will be good and need to be examined carefully, which is precisely what I am doing now, to determine whether the structural change has achieved the best possible results.

I have had lengthy discussions with teachers throughout the State, with administrators in the ministry, and with principals and deputies to ensure that the changes that have taken place are not seen as being set in concrete. Change is never forever, by its very nature. It is possible to make adjustments to respond to those requests. On the other hand, there are some people who panic when the smallest element in their life changes. They cannot tolerate change, and find it very awkward. That is even more likely to be the case when people have existed within a system which has been central, authoritarian, and autocratic in its decision making. Their lifeline is taken away and they find it difficult to operate. I do not think there are many teachers like that. I have been impressed by their willingness to embrace change. Quite rightly, they need time to examine the changes, respond to them, and make their points of view known.

Some of the points raised by the member for Dale are ones of which I am already aware and am carefully examining. Some of them, however, are trivial and, in a sense, demeaning. The question about the library service is one which I am very close to because I have a family member who is an advisory teacher in that area, and she is going out to schools, travelling through the back blocks advising teachers and parents about the administration of the library, cataloguing, and so on. It is not fair to say that all of those responsibilities have simply been shoved back to the schools.

I agree there are some areas of demarcation between what it is reasonable to ask schools to do and what the central or district level of operation should be doing. I am not setting aside all the member's observations. We need to continue to examine them; and in some cases it is possible we have gone too far in devolution. The member should also recognise that the sort of changes that have been made have been called for in one way or another for a very long time. Schools are sick of being told what to do from afar. They will tell anyone who visits Kununurra or Esperance that their needs are not understood. It is a bit like the call we often hear from people in Western Australia: Canberra is too remote a form of Government. That is precisely the argument put and received by this Government from those remote area and isolated schools, and by schools in general. They ask the Government to give them more autonomy and to allow them to respond to their communities. They ask the Government to stop interfering in the way they conduct their affairs and to reduce the bureaucratic intervention to a minimum. That is consistent with ensuring that there is a high standard of education throughout the whole system, where the staff and the parents can guarantee that



the children are receiving a high quality of education, but where they have the flexibility to respond to local needs while remaining accountable to the taxpayer, through the Minister, for their behaviour.

Although I acknowledge some of the difficulties raised by the member for Dale, as they have nothing to do with this Bill I am not prepared to respond to them at length. I ask members of the House to support the Bill.

Question put and passed.

Bill read a second time.

#### *Committee*

The Deputy Chairman of Committees (Dr Alexander) in the Chair; Dr Lawrence (Minister for Education) in charge of the Bill.

Clauses 1 to 8 put and passed.

Clause 9: Section 9A repealed and a section substituted -

Mr FRED TUBBY: In what circumstances would Government funds be available to non-prescribed scholars. Is it intended to subsidise overseas students and, if so, in what areas?

Dr LAWRENCE: The reason for including that provision in the Bill is to enable Rotary students on exchange and other exchange students to be part of our education system, since students from Western Australia will be in the United States or Canada, for example. It is intended to apply to that area and not to any other category of student. That is the reason for introducing this proposed section requiring that recipients of recurrent grants be permanent residents. At the moment there is no firm way of preventing those students from getting funding; it is not clear in the existing Act. Exchange students will automatically be considered as exceptional under that Act, but the provision will not be used for any other purposes.

Clause put and passed.

Clauses 10 to 31 put and passed.

Title put and passed.

#### *Report*

Bill reported, without amendment, and the report adopted.

#### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Dr Lawrence (Minister for Education), and transmitted to the Council.

### TAILINGS TREATMENT (KALGOORLIE) AGREEMENT BILL

#### *Second Reading*

Debate resumed from 14 June.

MR COURT (Nedlands - Deputy Leader of the Opposition) [4.37 pm]: This legislation is one of two agreement Acts the Government introduced last Tuesday, and which it is keen to rush through the House. In an effort to cooperate with the Government, the Opposition debated the Silicon (Picton) Agreement Amendment Bill last week and today we are debating this Kaltails project legislation.

The Opposition regards this legislation as pretty important; it is a big project which involves heavy Government participation and the Opposition is a little annoyed at having to rush such a Bill through the Parliament, bearing in mind that the Minister and his advisers may well know what has been going on for some time, but the Opposition is in the dark. More importantly, many people in the gold industry would very much like to be part of this project and to know what is going on. Now that the legislation has been introduced, they will not have much time to respond to it. A copy of the Bill has been sent to both mining organisations, which have not had time to respond and to provide an opinion on it.

The general point I make about this project - as opposed to the legislation - is that the Opposition supports the concept of these tailings dumps being shifted from their current position and being treated. If the project stacks up economically, it is a good move to shift those dumps out of the town and, after treatment, to leave them in a more environmentally sound situation. The Opposition supports that side of the project, but it does not support the Government's large involvement in the project. By way of background, the tailings dumps have been building up over many years and they are owned by the Government. As the Minister outlined in his second reading speech, the title to the dumps is held by licences to treat tailings, or LTTs, which were issued under the 1904 Mining Act. This has continued under the transitional provisions of the 1978 Act whereby LTTs are issued on a yearly basis with provision for renewals. The organisation which has held the LTTs in recent times, Anglo American Pacific Limited, has been involved for seven or eight years.

Mr Parker: Since 1979.

Mr COURT: Yes, since 1979, having brought them from Della Costa and Pinner, I think it was, who had those licences at the time. A party - Jack Savage's company - has been trying to get these LTTs, and some concern has been expressed about the way the Government has gone about enabling Anglo American Pacific Limited to hang on to those LTTs over the last year or so. We will be asking questions about that detail later.

When this project was announced, Anglo American Pacific issued a Press release on 12 October 1987 which said the capital expenditure would be approximately \$36 million over the project life; the project would produce approximately 40 000 ounces of gold per annum; and that AAPL was going to invite GoldCorp to enter into a joint venture with it; that is, GoldCorp was going to have a 15 per cent interest, and AAPL was going to have an 85 per cent interest. The Press release went on to say that construction contracts would be let in the new year, after the environmental review and the agreements with the State Government had been completed.

It was stated on 12 October 1987 that the Government was going to go into a deal with the company through GoldCorp, which is a subsidiary of the Western Australian Development Corporation. The legislation currently before the House has the Government going into a joint venture through the Western Australian Mint. I ask the Treasurer whether it was a fact that GoldCorp, the Western Australian Mint, and Westmill were all going to come under the name of Gold Bank, and this agreement Act would have gone through as a Gold Bank exercise. Why has the Government decided not to do the joint venture through GoldCorp but rather through the Western Australian Mint, when, as I am led to believe, GoldCorp is still a part of WADC, and the Mint still operates under its own Act of Parliament? I would be interested to know whether the Minister for Economic Development and Trade could give an assurance that under its current Act, the Mint has the power to go into that type of joint venture. I have not had time to properly examine the Perth Mint Act to see whether the Mint is allowed to go into that type of commercial joint venture.

Anglo American Pacific said it would require a more secure tenure than one year. The current Act cannot give it more than one year for those particular licences; that is why we have before us today a special Act of Parliament, which basically overrides the Mining Act and enables a 10 year tenure to be given for this project. It has been explained to us that the company will be forming a slurry with the tailings, and pumping it about one and a half kilometres to a plant site. After the tailings have been treated - again using carbon-in-pulp plant - the company is going to carry out a rehabilitation program to form an area for the tailings which will be more environmentally suitable, and not like the eyesore it is at present, where the tailings are able to blow away.

A lot of noise has been made about there being some super duper technology involved in this project. Some of the first Press releases which came out in relation to the project specifically referred to the fact that Anglo American Pacific had developed this technology, which now made it possible for these dumps to be treated commercially. I have had it explained to me by many people in the industry that there is not a new technology being used to treat these tailings dumps which is not currently available and in use by goldmining companies, big and small, in Western Australia.

Mr Parker: That is not true. I have never advanced the proposition about super duper technology. It is certainly true to say that there is not currently a tailings treatment operating

in Australia - let alone in Western Australia - which uses this type of technology. It is a quite different form of technology. It is not particularly special, but it is proprietary to them and has not yet been used. In fact, I do not even think they have used this particular technology in South Africa, let alone here.

Mr COURT: The Minister said in his second reading speech -

In particular there will be a valuable infusion of new technology into Western Australia which may lead to the treatment of other tailings dumps located around the State.

Mr Parker: That is true.

Mr COURT: It has been said to me that the technology to be used is not different from a lot of the technology -

Mr Parker: I would be interested to know who said that to you, because it is not true.

Mr COURT: What sort of technology is it that is not currently being used?

Mr Parker: I am not a metallurgist, but the technology which is currently being used in tailings treatments throughout Western Australia, and throughout Australia, is, first, different in concept to this technology. This is a concept which is similar more to tin mining technology than it is to the current tailings technology. Secondly, the amounts involved are vastly greater than any other amounts that are involved, and if one were to use the sorts of tailings treatments that are used in the next largest project - the Wiluna project - let alone the tiny projects that are all around the place, one would not be able to do this economically. Thirdly, this technology enables one to go to much lower grades. We are talking here about very low grade material, and it will be possible to go to lower grades of material and get a higher extraction than would be possible with any other form of technology. Do not ask me what is the metallurgy of it, because I do not know, and if I were to explain it, the member would not be much wiser; but I can say that from my advice and understanding, the technology is different from that being used at the moment.

Mr Greig: But it is the same technology as that used for treating low grade ore.

Mr Parker: No, it is not.

Mr COURT: There are going to be people in this Chamber who will be able to explain to the Minister that the technology required for treating these tailings dumps is not new technology.

Mr Parker: Those people are not metallurgists either and are not any more expert than I. The advice I have is that while the technology is not super duper in the sense that it is revolutionary - because it is based on the concepts essentially involved in tin mining - it is nevertheless quite different from the technology which has to date been used, and it is not technology which has been used by any other company in Australia.

Mr COURT: The Minister's second reading speech continued -

Their research led them to the conclusion that the tailings could be treated using hydraulic mining techniques and carbon-in-pulp gold extraction technology.

Mr Parker: Carbon-in-pulp is of course everywhere, and it happens all over the world, but that is the second stage of the project.

Mr COURT: What is the first stage?

Mr Parker: It is the hydraulic mining and targeting of these tailings by the treatment.

Mr COURT: Does the Minister think that is new technology? Slurries have been pumped for 100 years.

Mr Parker: It is not a question of pumping slurries. There is not much point in having a technical argument -

Mr COURT: There is not a technical argument; that is the point I am trying to make.

Mr Lightfoot: You are in a hole.

Mr Parker: I am not in a hole. I am saying that this is a well known technology.

Mr COURT: It has been explained to me that there are many small operations which could play a part here, as these people are doing. There is no super duper technology involved in pumping, and these people could carry out this project.

Mr Parker: I do not agree.

Mr COURT: The Minister is going to have to give me a very good explanation, because people who are very close to the project - in fact, who are actually working in the project - have explained that there is not anything flash about pumping the tailings dumps and about the treatment that is going to be used. I think there is a bit of hype going on about this so-called new technique or technology. That is not the case at all. In actual fact it is using very conventional technology. I will come back to that shortly. Besides treating the dumps that the Government owns, the project is also negotiating to treat some private dumps that are nearby and that it says will be done on a royalty basis and will add to the size of the project and, hopefully, to its profitability.

I mentioned that when the project was first announced it was to be a 15 per cent Government-GoldCorp operation with a \$36 million expenditure. It has now gone to a 50:50 deal; and it was interesting that in one of the letters the Minister sent to us explaining why the Government wanted the deal put through in a hurry, two things were said -

Significant delays were experienced due to EPA's decision to require a study of all developments on the Golden Mile before it would release the PER for this project. Consequently, the capital required for this project has escalated considerably.

I cannot see any figures which show that the capital has escalated considerably. I think the highest one I have is up to \$38 million. Initially it was to be \$36 million, yet the Minister has said in his letter that the capital requirement for this project has escalated considerably. In talking to people involved in the industry, they say they could put this project together, they believe, for under the \$36 million that was initially discussed, and I would like the Minister to say just what will be the cost.

Mr Parker: Who are those people?

Mr COURT: When the Minister asks who those people are, I would have to say to him that a number of people in the goldmining industry have discussed this matter over the last year; that is, what will happen with the dumps. The Minister would know that we had a briefing the other day, at which he was present for most of the time, where we were able to ask questions in relation to this. I ask the Minister to explain if there has been a considerable escalation in the capital requirements.

When it was first announced that the Government was going into this project on a 15:85 basis with a South African partner - a company that was becoming Australianised, so to speak, to try to lift its Australian shareholding - it really showed the hypocrisy of this Government. On one hand the Government says how bad everything is in South Africa and how we should not deal with or trade with that country. The Government banned South African Airways. Even to mention South Africa made one a terrible person - "How dare you talk about it!" It was quite interesting that while the Government was talking like that about South Africa, it was actually dealing with a South African company.

It is important to put on record what our stance was. When the Government first announced this project with the 85 per cent South African input we said, "We are not fussed about Anglo American Pacific Limited's being the other partner; we do not mind a South African company's being involved in a project here." Our stance was that we believed that it should have a joint venture with a private sector operation from Australia, preferably from Western Australia, without the Government itself being involved.

I have raised the matter of the South African involvement because it is all very well for the Government to ban South African Airways - which I think is an absolutely nonsensical way to go. Members opposite get on their high horses about South Africa. They do not mind having a team of South Africans running their gold operations and they do not mind doing certain business deals with them. On the other hand, they support hold-ups on our wharves and boycotts here and there; they support people like Kim Hughes being given a hard time and in many cases damaging their potential careers because of the tactics by members opposite; yet they can sit down and do their own joint venture. Let us get rid of these double standards.

It was interesting to listen to the Kenyan Ambassador when he was in Perth recently. He explained what they are trying to achieve in Kenya, and he gave some background about some of the things happening in Zimbabwe. We have to remember the very large black

population in South Africa. There must be a way that Western Australia can treat Africa and all the different countries that make up Africa. They are our neighbours and they do offer more potential for us in an economic and social development sense. I am straying from the Bill a little there, Mr Acting Speaker, but I just wanted to make this point: Let us not have the hypocrisy we see from this Government when it comes to dealing with South Africa.

Overall, we have a situation now where the Government owns these tailings dumps. It is going into a 50:50 joint venture, and I can only presume it wants to take a 50 per cent interest because it can see itself, for the Mint and eventually for Gold Bank, earning a lot of money out of it. The Government can see a lot of opportunity and, as this Government has said so often in the past, "Why have the private sector do it; why do we not do it ourselves? Why do we not have this window into industry and be one of the players? We forecast these great profits out of the deal, so in we go." Our philosophy on this side of the House is not for the Government to be a participator in this project but rather that the private sector do the whole project. That is the difference between our philosophy on doing business and the Government's philosophy.

Mr Parker: How would you get a return for the State out of the dealings? Would you charge a royalty?

Mr COURT: The Minister asks how we would get a return for the State.

Mr Parker: Given, as you have said, that they are owned by the State.

Mr COURT: The Minister knows the answer to that because in the last year or so, under the Government's Westmill operation where it has been looking after the State Batteries, the Government has an asset in the tailings dumps at those batteries. What the Government has decided to do is to put some of them up for tender. It has quite successfully raised about \$6 million or \$7 million - I think that was the figure mentioned the other day - in liquidating those assets. The Minister must remember that he can only sell them once - it is a one-off sale of assets. Again, this is something the Minister can explain to me. The \$6 million or \$7 million that has been made by selling off those assets has enabled the Westmill operation to build the new refinery. It has been funding the new refinery at Kalgoorlie. I do not know the actual cost of it but I think there will also be some funds left over to start helping to fund the new Perth refinery. The Minister says, "How would you make a return out of it?" I believe one thing the Government could do is what it has done with the other tailings dumps - put them up for tender.

Mr Parker: It is a slightly different situation. They were completely in the hands of the Government, whereas you have said yourself that these were held under LTTs. Because of that you could not put them up for tender in the same way. That is why Anglo American is in the project at all - they own the LTTs. It has the same result, I agree, but the only way to achieve the same result would be to charge a royalty on the treatment.

Mr COURT: The Government has the whip hand - it owns the tailings dumps. Everyone operates under one set of rules where there is a one year tenure on those dumps. This legislation is changing the rules - the Government is giving them a 10 year tenure because of this capital expenditure. Let us say there is a large capital expenditure involved and for this one project it is good to give them a 10 year tenure: The Government should allow them to tender for it.

Mr Parker: Don't you think we should recognise the pre-existing right of Anglo?

Mr COURT: Hang on. The Government gets a guaranteed income without having to become involved in any risk. The Minister should tell me about Anglo. They went into a joint venture at 85 per cent. The Government has virtually used its position to blackmail itself into a 50:50 venture.

Mr Parker: That is not true at all.

Mr COURT: Why has the Government gone to 50:50?

Mr Parker: Because they had to dilute their equity to meet the FIRB guidelines and to gain the acceptability of the project, but not on the basis of our having 50 per cent. We were perfectly happy with 15 per cent.

Mr COURT: So the Minister is saying that by going 50:50, it will solve the Foreign

Investment Review Board problems and the political problems it had with the South African ownership.

Mr Parker: But we did not in any sense insist that the residual 35 per cent be GoldCorp, or the Mint, or anybody else. We said that was up to them.

Mr COURT: Why did not the Government put that 50 per cent up for tender itself? The Minister says, "Here is a joint venture; you can get the money up front for the exercise. The private sector can take the risk and run the project, and we do not have the Government as a partner in the project."

Mr Parker: Once there is a project they might.

Mr COURT: The situation is unusual. The Government has paid Anglo American to get into the deal. Why should the Government have to pay?

Mr Parker: The Deputy Leader of the Opposition does not understand the position, which is different from that in which tailings are associated with batteries. The member has referred to the Westmill tailings being sold off by tender. The situation is different where the tailings are owned by the Crown, but the right to exploit the tailings is held by Anglo American Pacific.

Mr COURT: For one year.

Mr Parker: Yes. But with annual renewals if certain criteria are met.

Mr COURT: That is what the concern has been. The right has been held for eight years and one can understand local companies saying -

Mr Parker: I know now to whom the member has been talking. I know the people who make those points. They say the company should have developed the project earlier and because it has not, the rights to the tailings have been forfeited.

Mr COURT: Why should the Government have to pay?

Mr Parker: First, because the Government is not in the business of confiscating anyone's assets. If the Government had done that the Deputy Leader of the Opposition would have been extraordinarily and legitimately angry.

Mr COURT: The assets are Government assets.

Mr Parker: No, they are the company's assets. They are not an unencumbered asset of the Government in the way that tailings at the batteries are. In one sense they are Crown property just as gold in the ground but, just as gold in the ground has a mineral lease over it, an encumbrance exists in the right to exploit by some third party, in this case Anglo American Pacific. That is a very different position from the batteries situation. For the Government to have done what the member suggests would have required the confiscation of the right from Anglo American.

Mr COURT: If the requirements are not met those things are lost, but the difference is in moving from a one year renewable licence to a 10 year tenure. Why would the Government pay to get in on the deal? The Minister is the one with the legislation going through Parliament.

Mr Parker: So the member is saying the Government should use blackmail - a minute ago he used that term. That is an extraordinary proposition. The member is saying that -

Mr Taylor: The member's father -

Mr COURT: The member for Kalgoorlie should get up to debate the matter. I look forward to debating with the author of the Taylor tax on this subject.

Mr Parker: The Deputy Leader is suggesting that the State should have used its position to blackmail - to use his phrase - its way into a substantial royalty.

Mr COURT: Let's not beat around the bush. The Minister has used his position already to blackmail into the 50:50 situation.

Mr Parker: That is not true.

Mr COURT: The Minister has used his position, but I find it amazing that money has actually been paid out to take an interest in the project.

Mr Parker: Do you propose we get it for free?

Mr COURT: The Government is putting through a special Act of Parliament giving a 10 year tenure, and entering into a joint venture project, and I cannot see a reason to pay a goodwill figure to enter the project.

Mr Parker: Talk about an attitude to the private sector.

Mr COURT: My attitude is very clear. I have said that the Government should not have a 50 per cent interest in this project.

Mr Taylor: Why should the Government not get a share? Why should the people of Kalgoorlie not get a share? It is about time, and they will get it.

Mr COURT: How pathetic! The member for Kalgoorlie carries on about the private sector, then he says that the Government should own half the project. The member for Kalgoorlie will go down in history as the author of the Taylor tax. He will go down in history at a time when the Federal and State Governments -

Mr Taylor: Come up to Kalgoorlie and debate the matter.

Mr COURT: I will debate in Kalgoorlie any day of the week on those forms of taxation. If the member for Collie had this sort of thing happen in his town he would have gone berserk.

Mr Taylor: Collie has had it for ages, that is how much the Deputy Leader of the Opposition knows.

Mr COURT: The member for Collie would go berserk if someone walked into Collie and imposed a new tax on coal. Imagine the member for Collie sitting back in his chair.

Mr Parker: Collie has a levy precisely the same as the levy proposed.

Mr COURT: Imagine going into Collie promoting a new tax on coal.

Mr Parker: They have a levy and it was increased last year at the request of the coal companies and the miners.

Mr COURT: I have been proved wrong - the member for Collie would not mind if a new tax were introduced on coal in Collie. I have been wondering what to put in my release this week. Now I have the Government not minding another tax on coal.

I think the main reason that the Government wants to take a 50 per cent interest in the project is that some form of cash flow is needed for the Gold Bank operation which was discussed at some length last week. What an absolute debacle that was! The Government is introducing amendments to the Gold Bank legislation and the Premier in handling the legislation made an absolute mess of it. Members opposite must be annoyed to have the Premier handling the Gold Bank legislation telling us it will be a bank with a Federal banking licence.

Mr Parker: He did not say that.

Mr COURT: I can tell the Minister where he said it. Then 10 minutes later the Premier said that there is no banking licence. If one reads *Hansard* one can see the Premier went round and round in circles. The feedback I have from the officers involved is that the Premier made a few mistakes in the debate. Reserve Bank officers will read the legislation and say, "Can we give these people approval when the Premier did not have a clue what was being set up under the legislation?"

I ask the Minister what effect the gold tax being introduced by the Federal Government will have on this project. How will this project be funded? The House has been told a payment has been made for the Government to get into the project. Can the Minister say how much the payment was and whether the funds come from Westmill or the Mint? The Mint does not have a huge amount of money with which to play. What arrangements have been made for funding the capital expenditure? The Government has said the project will cost \$36 million to \$40 million; how will the Government pay for its share? If the project is to be funded with gold loans, what percentage will be funded using gold loans and from whom will the gold loans be obtained? Who will be managing the project? Will there be a board or will one of the partners manage the project? The member for Kalgoorlie is so keen to tell us how great the Taylor tax is; will this project pay that levy?

Mr Taylor: Yes, an amount of \$250 000 a year to a trust fund.

Mr COURT: Kaltails will pay the levy - that is what I wanted to know. What is the trust fund known as?

Mr Taylor: The Kaltails Gold Trust.

Mr COURT: Another area of concern is the break even point with regard to the price of gold. At what stage will the project start to make a profit? I ask the Minister to explain the mechanics of the proposed extension of five years. During his second reading speech the Minister spoke about the water requirements of the project. I ask the Minister whether adequate water supplies are available for the project. The slurry pipe - the exciting new technology being introduced in this project - requires some explanation. I ask the Minister whether problems are envisaged in erecting the pipe from the tailings dumps to the plant. Will there be problems with the titles currently held by people who own the land across which the pipe will be built? I have already mentioned the capital escalation and the fact that this project was announced by GoldCorp, yet it is now being handled by the Mint. Perhaps the Minister would advise whether a budget of the proper estimates for the life of the project, taking into account the gold tax, is available. The Minister may be able to give some information regarding the profitability of the project.

In summing up I make it clear that the Government does not have to take up a 50 per cent interest in the Kaltails project. This agreement Bill can be passed by Parliament and the company can be given a 10 year tenure, but the private sector, not only Anglo American Pacific and the South African company, but also Western Australian companies, could be involved in the joint venture and could undertake the work. Instead, the Government wants to get its hands on some cash flow. Having gone through the Gold Bank legislation last week - I presume this project will eventually come under Gold Bank - I have strong reservations about the Government being involved in this type of project. I believe the Government should reconsider the stance it is taking, especially with regard to its belief that the Government should get in and make a profit. Why not put the Government's interest out to tender and allow other private sector people to become involved? The Government, as it has done in tendering off its other tailings connected with the State Batteries, can get its money up front and do what it wants with those funds.

The Opposition supports the concept of the project, but it does not support the idea of the Government being a 50 per cent shareholder in the project.

MR LIGHTFOOT (Murchison-Eyre) [5.14 pm]: This afternoon I want to speak on a wide ranging subject, but obviously within the confines of the Bill.

Anglo American Pacific, an Australian listed company incorporated in Victoria, was formerly a listed company titled Boustead Promet Australia Limited, and that company had interests not only in Australia, but also worldwide. It became known as Anglo American Pacific on 23 February last year. Although the company is registered in Victoria it has its headquarters in Sydney. Its activities are wide-ranging in Australia and it is involved in gold and mineral mining, exploration, processing and distribution of industrial minerals and all those areas of mining that make up a multi-faceted mining conglomerate. By comparison with most companies it has a substantial issued capital of 122 870 136 fifty cent fully paid shares and 10 million 50c shares paid to one cent. Under its reconstruction from Australian Anglo American, companies incorporated into AAP included Australian Anglo American Searches, Australian Anglo American Gold, Mulga Mines, Commercial Minerals, Constaff, which is not a wholly owned subsidiary, and other interests in gold tailings throughout Australia and overseas and, at that stage, a 100 per cent interest in the Kaltails project.

Shortly after that, 15 per cent of the multi-million tonne Kaltails project was joint ventured to GoldCorp, a wholly owned subsidiary of the Western Australian Development Corporation. GoldCorp now has, as the Deputy Leader of the Opposition said, a 50 per cent share of the multi-million dollar project on which \$36 million or more is envisaged to be spent over the life of the project. I understand that 40 000 ounces of gold per annum from 12 000 tonnes of treated gold tailings per day is proposed to be produced from mining through the hydraulic method. I might add, in spite of the Minister's reassurance, that hydraulic mining and the method of recovering the gold, precipitated by electrolysis, is not new. Perhaps the Minister, in his reply, will explain to members on this side of the House how it is innovative. For instance, in the vast mine dumps in Johannesburg, Anglo American is treating 12 million tonnes of tailings a year through hydraulic mining. It is nothing new.



The Deputy Premier said that high pressure hoses are used in tin mining. It may be a sophistication of that process, but it is not new technology. The method of recovering the gold from the dumps - 0.4 of a gram, or about one seventy-fifth of an ounce - is not new. The carbon-in-pulp recovery process is certainly not new. The hydraulic method of sluicing the tailings in the containers of activated carbon may be new to the goldfields, but it is not new technology. The combination of the two may be new, but they are distinct mining methods used over many years in Australia. In fact, they are used at present in South Africa where one million tonnes a month - 250 000 tonnes a week - of gold tailings is treated.

The pre-tax profit was estimated to be \$15.4 million for AAP and I wonder whether that is still the figure, on a revised basis, because of the hold up, through no fault of AAP, in the treatment of the Kalgoorlie gold tailings. AAP employs about 750 people throughout Australia and many more as a result of the spin-off effect from the gold mining industry. Some say it is as high as one in five; that is, for every one person employed in the mining industry there is a spin-off of five persons employed in supporting industries.

It is a substantial company in terms of employment, projected profit and capitalisation, and in terms of its potential to earn millions of dollars for Western Australia, most of which will be spent in the Eastern States. Although the Kaltails project is estimated to be between 32 and 34 million tonnes, it can expand with the purchase or acquisition to 57 million tonnes and that would make it by far - it already is - the greatest retreatment of any residual tailings, gold or otherwise, in the nation. I understand that sampling, metallurgical work, drilling and estimation of the tonnage of the dumps have been finalised and, according to the report, there are no metallurgical problems associated with the recovery of that microscopic amount of gold - I think 0.4 gram is approximately 1/70th of an ounce per ton, and that is a minute amount of metal to recover. Obviously, the very best in technology, even new technology, must be employed and utilised if that is to be commercially successful. Although the Press, and I believe the environmental impact report, indicates that there is 0.4 of a gram per tonne, other figures indicate that there is substantially more; some are as high as 0.7 but certainly some well qualified figures indicate that if the project gets off the ground this year, in 1988 the recoverable grade will be 0.49, which is about 20 per cent greater than 0.4. Also in 1989 that figure will drop to 0.46 of a gram per metric tonne of recoverable gold. That figure for 1989 itself is considerably greater than 0.4. I want to illustrate and emphasise this because later in my speech I will dwell, albeit briefly, on the involvement of GoldCorp, the WADC subsidiary, in 50 per cent of that multimillion tonne, multimillion dollar project.

It is envisaged that the project will deal with 12 000 tonnes a week, through hydraulic mining or sluicing, by utilising water, and will extend to seven days a week. Based on that figure, the life of the project is expected to be 12 years. It could extend with the 57 million tonnes, up from the 32-34 million tonnes, to considerably longer, and certainly will unless the throughput of 12 000 tonnes a week increases and there is no reason to believe that it should not. For instance, the debris and other larger fragments of rock greater than 3 millimetres - from memory - are to be taken out by sieving and that in itself could amount to hundreds of thousands of tonnes, which would then be put through a mill and then through the carbon-in-leach and carbon-in-pulp tanks to extract that gold. That in itself could extend the life of the project.

I ask the Minister to answer the following questions by interjection or when summing up: What is GoldCorp to pay for its 50 per cent equity in the project, bearing in mind that millions of dollars have already been spent on the feasibility of the program? AAP has been involved in the testing, including drilling, sampling and metallurgical testing, of the project for some years and has incurred millions of dollars in that cost. Is the WADC subsidiary, GoldCorp, to pay 50 per cent of those costs at its entree? Is it to pay an amount calculated on the value of the residual gold in the dumps? If so, what amount? Is it to pay both amounts; that is, part of the costs to date and part of the residual estimation of the gold in the dumps? This Parliament has a right to know what that Western Australian company is to pay, and if it is not to pay an equitable amount, it has the right to know that also.

When Australian Anglo American was absorbed I believe it was paid something in the vicinity of 41 million shares in the new company, AAP. With the subsidiary share holdings of the 123 million shares issued, or thereabouts, I believe it took it to 90 million shares; that is, that the Anglo American Corporation, through its subsidiaries, still controls Australian Anglo Pacific. Although listed in Sydney and Melbourne, and incorporated in Melbourne,

Anglo American still controls AAP. I have no problem with that, but I do have problems reconciling it with, for instance, the banning of South African Airways into Perth, Western Australia. The loss of that weekly jumbo jet service costs this State \$18 million a year. I find it hard to reconcile that to the proposition that we should not trade with South Africa, which costs this State dearly in both traffics; that is, imports and exports. I find it difficult to reconcile that this Government is keen to jump into bed with that same company, Anglo American, controlled by the Oppenheimer family, and yet does not cry out about the banning of South African Airways or the two-way trade. At this stage it does not do well for me to talk about apartheid, but the statement still applies. How can the Government reconcile a joint venture with a wholly owned Western Australian Government company and a company that is controlled by a South African?

Mr Crane: It is inconsistent.

Mr LIGHTFOOT: It is inconsistent because, as the member for Moore says, the Government sees this as a direct benefit to its success and it worries little about the other small companies that missed out so badly when South African Airways was refused permission to land in Western Australia and when the two-way trade with South Africa was largely stopped. I say "largely stopped" because no-one really thinks that trade between the two nations has come to a stop. When I speak about small business being affected by unilateral decisions made in Canberra and supported, albeit very quietly, by this Government, I fail to see why small business should not have participated in the Kaltails project. It had all the expertise in AAP it needed; I have demonstrated that it had all the cash flow in AAP that it needed; I further demonstrated that because of its ties with Anglo American, where it reclaims and retreats 12 million tonnes of tailings a year, it seems the Government would bring very little benefit to this project. Why were not other smaller companies allowed to participate? I would not have knocked back an equity for a company in which I am involved. A small family goldmining concern in Kalgoorlie could have treated those tailings and, in fact, has some considerable expertise in treating tailings. Why did AAP chose a Government company? Of course, it is quite apparent: The Federal and State Governments put the thumbscrews on AAP and said they would kick up such a helluva fuss about this company, owned substantially by South Africans, if AAP did not give the Government 50 per cent of the project.

Mr Parker: That is not true.

Mr LIGHTFOOT: It is absolutely and totally true, and that information has come to me from several quarters.

Mr Parker: I would like to know from whom.

Mr LIGHTFOOT: The Minister will have a chance to refute that later. To me it is a form of blackmail; either the Government supports the total banning of commercial ties with South Africa or it does not.

[Questions taken.]

*Sitting suspended from 6.03 to 7.15 pm*

Mr LIGHTFOOT: I question the reason behind the Western Australian Government's wholly owned subsidiary, GoldCorp, taking a 50 per cent interest in the multi million tonne so-called Kaltails project in Kalgoorlie. I believe the Government has applied the thumbscrews to Australian Anglo Pacific by saying that, because roughly three quarters of the issued capital in AAP was beneficially owned by the South African giant, Anglo American, through its shareholding in AAP and AAP's shareholding in the subsidiaries partly owned and totally owned by AAP - it amounted to about three-quarters of the issued capital, both directly and indirectly - it was most unwise for the South African giant, therefore, to be seen to own a majority of that multi million dollar project. By divesting itself not of 15 per cent, as was recently negotiated, but by increasing that to 50 per cent, it effectively put the ownership by the South African Anglo American Corporation at about three-eighths of the Kaltails project and not three-quarters.

I have no problems with the Anglo American corporation operating, earning, working, and transferring its technology here because not only is it a leader in the world goldmining industry by operating the deepest mines in the world, the biggest volume mines in the world, the mines that put the most men underground in the world, and which uses the heaviest

cables and so on in the world, including being able to refrigerate air and water in greater quantities than any other mine on earth, but also it has expertise in other fields including management. Members may recall it was Mr Harry Oppenheimer who advocated that the blacks of South Africa be brought into the mainstream of South African life, both in a political and a monetary sense. Indeed, he led the way as much as he could.

I support the operations of Anglo American in Australia through its various subsidiaries. It has certainly brought with it a great source of expertise in the goldmining, coalmining, and diamond mining industries. South Africa leads the world in these industries and it has several of the biggest underground coal mines in the world and markets about 90 per cent of the world's diamonds. The company brings immense expertise to this country, which is reliant on mineral exports. Having said that, I would rather have seen the 50 per cent interest divested by AAP go to smaller or indigenous companies. It could have gone to the Savage family which offers a particular kind of expert extraction in that industry. As I said, I would not have minded picking up some of it for the company with which I am associated. I fail to see why the Government should have a 50 per cent interest in this project. Obviously it will make money, and the Government needs to involve GoldCorp because the gold contained in the 10 tailings dumps, which in total comprise 34 million tonnes of tailings, is worth several hundred million dollars. Of course, it is self-funding and the project will be the subject of a gold loan. Probably 50 per cent of that loan will be sold at today's price and a gold loan will be taken out on the feasibility of the project. As I said, the project will be self-funding so it will not cost GoldCorp anything to become involved in it. I do not mean to dismiss my questions to the Minister on how much it cost GoldCorp initially to buy into it. Does it have to reimburse AAP for the cost of the feasibility study and what is it paying for the project? It is a multi million dollar project worth several hundred million dollars in gold contained in the tailings. I hope the Minister does not take the deplorable attitude often taken by some Ministers by saying it is a matter of confidentiality, because I will not accept that answer.

Having expressed my dissatisfaction with the project's not going to the producers, particularly to Kalgoorlie people who have the necessary wherewithal to act as bona fide joint venture partners with AAP, I will move to another area. The spending by AAP on the project has been in excess of \$750 000 in some quarters. I am not saying it has spent that amount in every quarter.

I understand that the controversy over the political ramifications of the South African mining giant indirectly owning the dumps has caused some delay, and I trust that it is not to the detriment of the profit and the cash flow from the vast dumps. It is rather odd that this Government should jump into bed with the South African mining giant. It is not only an impost on the mining companies in Western Australia for the Government to take 50 per cent of that project, but also there are other imposts. It is not only the fact that they were not considered and were locked out of participating in the retreatment of the tailings, but also there are other things such as the iniquitous gold levy, often called the "Taylor tax", which is proposed; there is also the proposed gold tax to commence as from 1 January 1991; there is also the fact that the State and Federal Governments, particularly the Federal Government, take 72c out of every dollar that the mining and petroleum industries earn; there is the appalling high cost of fuel where 67c in every dollar that the mining industry spends goes back into the Federal Government's coffers; there is the high cost of labour and transportation which the industry suffers. Now, when the industry could have participated as a partner of the South African mining giant in respect of those tailings dumps, it is locked out because the Government was able to convince AAP that it was politically expedient for it to give the Government 50 per cent of the vast project to facilitate the commencement of the project. Now, of course, the Government is holding hands on the \$40 million development in Kalgoorlie.

For many decades the tailings dumps have been a blight on the people of Kalgoorlie and Boulder. Any time there is a modest wind the talc like substance from the gold tailings is whipped up and carried across the twin towns. At least this project will take the tailings dumps 1.5 kilometres away from their present site; that is, further away from the town. The Kaltails project has had the go ahead from the Environmental Protection Authority, subject to certain things such as the rehabilitation of the present tailings site when it is depleted of its resource and the tying down and eventual reforestation of that site as well as the new site.

I have some apprehension about the super saline water that will be used to treat the tailings.

The tailings will, in effect, be substantially as they are, remembering that there is about one seventieth of an ounce of gold per tonne of tailings removed, but they will be saturated with far greater levels of salts than they have at the moment, and it will make it almost impossible to be able to tie down the dumps with annuals or perennials for many decades. Perhaps some facility like covering the area with topsoil and planting the annuals and perennials on the dumps will solve the problem.

My time is running out, but there is one aspect of the mining industry in general that will affect the viability of the project; that is, the vast amount of sodium cyanide that is proposed to be used in the venture. Western Australia produces well over 70 per cent of this nation's gold and there is a shortage of sodium cyanide throughout the world. The price of the chemical has increased from \$1.40 a kilo to over \$4 a kilo, if it can be obtained, since December 1987. I have spoken indirectly to several producers in the United States who may be able to fill some of those orders, but there is some fear in certain quarters that producing mines may have to shut down because that chemical so necessary, sodium cyanide, is in such short supply throughout the industry. I cannot overestimate the seriousness of the situation. I hope that the Government will redress this. It could be that the Kaltails project has already brought it forward because the feasibility study mentioned the ordering some time ago of long down time commodities in the mechanical industry - and I trust that may include the chemical industry as well - that is so necessary to make sure that the project is and remains viable. There is no problem with the vast amounts of lime needed to correct the pH factor in the super saline water, but the sodium cyanide presents problems not just for the Australian Anglo Pacific project in Kalgoorlie, but for all producers throughout Western Australia. The project is supported by this side of the House. We are apprehensive about the Government's involvement in the project and oppose it. On forming a Government, one of the first things we will do is privatise or sell off that 50 per cent of the Kaltails project that is now in the hands of the Government.

**MR CASH (Mt Lawley) [7.32 pm]:** I confirm the comments of the member for Murchison-Eyre with respect to the Liberal Party's preparedness to support the Kalgoorlie project known as the Kalgoorlie dumps. However, I have reservations about the way in which the Government has handled the matter. In its mishandling of the matter, it has cut out a number of Australian companies and, in particular, some Western Australian companies that could have played an important part in the development of this project.

In general terms, the project could be described as an Australian resource that will be developed by a South African company in conjunction with a State body.

**Mr Parker:** That is not true, and it is quite at variance with what most of your colleagues have said.

**Mr CASH:** Perhaps the Minister for Economic Development and Trade will allow me to explain that it is a South African company which, because of some requirements of the Federal Government - requirements that were pointed out by the member for Murchison-Eyre some six months ago in this House - has decided to divest itself of some of the ownership of the dumps so that it can now be classified as a partly owned Australian company. For the purpose of the argument, it is fair to say that the company is regarded by most as a South African organisation. Certainly the end company is a South African company, perhaps operating through an Australian subsidiary. We see from the Minister's interjection in response to use of the words "South Africa" the dilemma the Government finds itself in.

**Mr Parker:** I was merely correcting what you said.

**Mr CASH:** Again, the Minister does no more than confirm that every time I mention the words "South Africa", I place him and certain members of his Government in somewhat of a dilemma.

**Mr Crane:** He still remembers when he jumped on top of the ambassador's car.

**Mr Parker:** I did not jump on top of the ambassador's car.

**Mr CASH:** I understand that the Minister did jump on top of the ambassador's car many years ago.

#### *Point of Order*

**Mr PARKER:** My point of order is in two parts. First, the comments made by the member

for Mr Lawley are absolutely and utterly irrelevant to the debate. Secondly, the comments are not true and are offensive to me. On the first ground I ask that he desist from making further comments. On the second ground I ask that he withdraw those he just made.

**THE DEPUTY SPEAKER (Mr Burkett):** I ask that the member for Mr Lawley restrict his remarks from this point to the debate before the House. The member for Mr Lawley made a remark and there was an interjection from the member for Moore. From the position of the Chair, there was no clarity in either so I cannot ask for a withdrawal of something which did not come through loud and clear to me. I ask the member to restrict his future remarks to the debate before the House.

#### *Debate Resumed*

**Mr CASH:** Thank you, Mr Deputy Speaker. I am not surprised that the Minister is so touchy when the matter is raised. I will discuss the matter later with the member for Moore. If it is proper, we may bring it before the House at some later stage.

I put it to the House that when one talks about a South African company working in Western Australia, it causes the Government a dilemma. We all know that the Federal Labor Government took away the landing rights within Australia of South African Airways. It decided that rather than manage the economy of Australia and the welfare of the Australian people, it could move from our shores and decide to interfere in the politics of South Africa. I do not intend to do that, although I should place on notice that I happen to support the South African company that is involved in this project. In general terms, I support the right of the South African Government to manage its economy and nation in the way that it sees fit.

Apart from the South African dilemma that obviously confronts the State Government, matters that generally come under the Mining Act or impinge on it are usually handled by the Minister for Mines. In due course the Minister for Economic Development and Trade, who is handling this legislation, may explain to us why the current Minister for Mines is not in charge of the Bill.

**Mr Parker:** Because it is a resource development.

**Mr CASH:** The Minister might claim that it is a resource development, but I heard that one of the reasons why the current Minister for Mines was not handling the Bill was because he was not prepared to face and accept the South African dilemma that currently besets the Government. If that is not the case, I invite the Minister for Mines to clarify the situation in due course.

We are talking in round terms of a project involving 32 million tonnes of tailings which are located just outside Kalgoorlie and which have been located in the area for many years. Environmentally, both the Town of Kalgoorlie and the Shire of Boulder are keen to have these dumps shifted and the proposition that is now before the House will enable them to be processed and relocated some seven or eight kilometres, I believe, outside the town. In the treatment of these tailings it is estimated that there will be about 32 million grams of gold recovered, which amounts to just over one million ounces of gold. On today's gold market that would have a gross value in the order of \$450 million. Admittedly, in the retreatment it is not expected that the gram that is assayed in the dumps will in fact be able to be recovered in whole, and there are some various estimates between 0.4 of a gram per tonne and 0.6 of a gram per tonne on the amount that will be able to be recovered, but in general terms, if it is at 0.4 of a gram per tonne there is an estimated revenue in the order of \$250 million. If it is 0.6 of a gram per tonne, then that revenue will increase to the order of \$382 million. Obviously there will be operating costs to come off that figure; and the cash surplus that is presently budgeted for by the participating partners is estimated in respect of the 0.4 of a gram per tonne at \$120 million and in respect of the 0.6 of a gram per tonne in the order of \$250 million net return to the participating partners.

As to the participating partners, we have heard that the South African company, through its Australian subsidiary, will retain 50 per cent of the operation and that GoldCorp - now the WA Mint - is to retain the other 50 per cent. The Minister has been asked on a number of occasions, both this afternoon and tonight, to explain clearly why the Government believes it necessary for the WA Mint to, in fact, participate in the order of 50 per cent of this project.

We know that when this proposition was brought before the House last year it was

anticipated that the WA Mint, through GoldCorp at the time, would in fact have an interest of about 15 per cent and that has now been increased by 35 per cent to 50 per cent. In his interjection this afternoon, the Minister claimed that one of the reasons for that increase in GoldCorp or the WA Mint's percentage of participation was to allow the South African company to dilute its holdings in its Australian subsidiary.

Mr Parker: I did not say that.

Mr CASH: The Minister suggested that that was one of the reasons.

Mr Parker: To dilute its overall holding in the project below the level required by the FIRB, not its position in AAP.

Mr CASH: It reduced its position in AAP also.

Mr Parker: Well before that.

Mr CASH: I take the point the Minister was referring to the FIRB requirements. The point I put to the Minister is that there was no real need for the WA Government to be involved and to pick up the other 35 per cent. There was an opportunity for it to be tendered out for other private operators to become involved.

Mr Parker: That was Anglo's decision.

Mr CASH: The Minister says that it was Anglo's decision, but in fact, if one goes to Kalgoorlie and talks to people in the mining industry generally, there is a very strong perception that while it might have been the company's final decision to take in the WA Mint as a 50 per cent partner, the Mint made very strong representations to make sure that it picked up that other 35 per cent of the project.

Mr Parker: To whom?

Mr Mensaros: It confirms what one can expect from a socialist Government.

Mr CASH: As the member for Floreat just said, it confirms that that is the sort of thing that one can expect from a socialist Government. It is no good for the Minister for Economic Development and Trade to come into this place and argue that for some unknown reason an additional 35 per cent of this project happened to fall on the table and as a matter of convenience the WA Mint just decided to pick it up so there would not be any greater fracturing of the various interests of the parties. I put it to members that it was a great opportunity for this Government to continue to exercise its socialist philosophy in wanting to get into as many business interests as it could and that if one goes back through the various matters that it has engaged in in recent years one can see that it has been very selective in so much as it often attempts to move into an area where there is almost a guaranteed profit available to it. Certainly, in the case of the WA Mint, as has been explained, there is the need to generate a cash flow in that particular area and quite clearly the Government has decided that this is a very good way of cashing in on what could be a profitable industry.

I ask the House how far this Government wants to go in, firstly, taking interests in specific projects on a State basis and, secondly, on a Federal basis supporting a situation where the Federal Government has decided that within about two years it will impose a gold tax on the mining industry? I really wonder how far we are expected to accept this Government's interference in the various projects that it gets involved in. I have made it clear that I believe that it is in the interests of the State for the tailings dumps located just outside Kalgoorlie to be treated, and that that will encourage employment in the Kalgoorlie area. However, I did want to say that there has, in fact, been other Government - and I might refer to it this way - "interference" in the way this general project has been handled over the years. Earlier we heard that the company is the owner of 15 tailings leases; and it concerns me that due to the way the Minister has handled his discretion in agreeing to continue the licence for the South African company he has prevented certain Australian companies from successfully lodging complaints against the South African company.

Mr Parker: That is simply untrue.

Mr CASH: The Minister can claim that it is not true, but I say to him again that he has only to go to Kalgoorlie and talk to some people there to find out the way they feel about his handling of this whole project. I refer in particular to the action that was taken by Goult-Pro Partners, Christopher Savage and his father, Jack Savage, who unsuccessfully tried to plead

the LTTs about 12 months ago. One of the reasons they were unsuccessful is that when the matter finally came to hearing it was found that, in fact, no licence existed in respect of the LTTs and, as I understand it, the warden therefore had to find -

Mr Parker: That is not true. The warden's decision was based on the merits of the case. He made various observations, but his decision was irrespective of other observations and on the merits of the case. If he were going to award the claims to anyone, the Savages would not be them, and he believed that the matters were not properly challengeable anyway, so we did not interfere with the warden's decision.

Mr CASH: It is interesting that the Minister for Economic Development and Trade should claim that, because I have here a summary of the facts that were brought before the warden's court on that day.

Mr Parker: The member has a summary of one part of his claims.

Mr CASH: It was suggested that counsel for Savage argued that the licences were of a continuing nature. However, His Worship found that the licences were of an annual nature, and once the licence had expired there was nothing to cancel even though there was an application for renewal going through the departmental process. At the time of the hearing, although the licence had ceased, they made application for a renewal of the 15 licences. The renewal licences had not yet been dealt with. The point I am making there is that it would appear that the Minister has been very selective in the way in which he has used his discretion in agreeing to extensions to those particular licences, or the renewing of those annual licences.

I believe that the Savages, the people connected with Goult-Pro Partners in Kalgoorlie, and others are entitled to be very upset about the way in which the Government has treated them. I know that there are a number of people in the mining industry who two or three years ago were prepared to support the present Labor Government for one reason or another, but I can tell you, Mr Deputy Speaker, that when visiting Kalgoorlie on a reasonably regular basis I have found that support for this Government in Kalgoorlie is waning very quickly.

I was in Kalgoorlie only a week ago last Saturday where I again talked to people in the mining industry. They assured me that they would not only be opposed to the gold tax and to the re-election of the present members for Kalgoorlie on the State scene and on the Federal scene, because of their inaction in respect of the gold tax, but also there were a number of other things that they were very distressed about that had occurred as a result of actions taken by this Government. I put it to the Minister for Economic Development and Trade that some of his strongest supporters in the Kalgoorlie region - that is old time strong supporters - have had enough of the Labor Party. They believe they have been sold out by the Labor Party, and they are waiting for the next election so that they can deal with the matter.

Several members interjected.

Mr CASH: I wanted the member for Welshpool to make a comment, because Goult-Pro Partners - Chris Savage, and his father Jack Savage - have been let down badly by this Government.

Mr Parker: That is not true.

Mr CASH: I do not know that at all. The member makes no comment; he simply waves his hand. But it has been made clear to a group of Liberal Party members just the sort of encouragement which was offered to them at one stage, and they have been let down badly by this Government.

Mr Parker: They were thrown out of court.

Mr CASH: The Minister can say what he likes, but he has let down a lot of people in Kalgoorlie and they are waiting for the opportunity to get even.

The point I want to make is that Jack Savage and his son Chris are, firstly, very well known people in the mining industry in Kalgoorlie, and secondly, they are very highly respected members of that industry. They and their associate companies have been let down badly in respect of the part they could have played in the retreatment of the Kalgoorlie dumps. I know it to be a fact that they approached this Labor Government and made it clear that they had the capacity to enter into any arrangement which would be necessary to enable them to

enter into a joint venture arrangement with the South African firm through its Australian subsidiary, the WA Mint, and the various mining associates that they could have put together.

Mr Parker: That is not true.

Mr CASH: The Minister can say what he likes; I can only tell the House what has been related to me, but I believe Jack Savage and his son Chris have been badly let down by this Government and they are entitled to be very upset at the treatment they have received.

Mr Lightfoot: They are upset, too.

Mr Parker: They might be, but that is because they tried to pull a con job and they were found out. They were found to be completely wrong.

Mr Court: When were they thrown out by the warden? What month?

Mr Parker: August 1987.

Mr CASH: Quite clearly the Minister is upset when I suggest that certain people in Kalgoorlie were pretty concerned at the treatment they copped from this Government.

Mr Parker: That is because they were trying to pull a con.

Mr CASH: It is pretty rough, in my opinion, for the Minister to say those things about two very highly respected people in the mining industry - people who have worked extremely hard in that industry. I hope that in due course he will take the opportunity of withdrawing those earlier remarks.

I want to move very quickly into the area of the gold tax. It impinges on the Bill before the House. In Kalgoorlie, *The Miner Newspaper* of 6 December 1985 carried a headline suggesting, "Mines backing gold tax: Grill". The article contained the following -

I think there is a very large section of the mining industry, who without coming out and saying it openly, actually supports a tax on gold for their own various reasons.

The mining industry needs to look at itself and speak quite clearly in respect to this issue.

I hope that the Minister for Agriculture, who made that statement in December 1985, understands the position of the mining industry - the goldmining industry - in Western Australia in respect of the gold tax.

Mr Parker: The mining industry does not take that position.

Mr CASH: The Minister for Agriculture suggested that certain companies were in fact in favour of the gold tax.

Mr Parker: I can tell you dozens were.

Mr CASH: Later the Minister will have the opportunity to tell us that dozens of them were. I put it to the House that companies involved in the goldmining industry -

Mr Parker: You said the mining industry.

Mr CASH: I said the goldmining industry.

Several members interjected.

Mr Parker: You read out "the mining industry".

Mr Thomas: You said "the mining industry".

Mr CASH: Mr Deputy Speaker, I invite members to read the article later on and see what it is all about. The goldmining industry is totally opposed to a gold tax. It is disappointed that this Government has let it down. It is very disappointed that the local State member for Kalgoorlie proposed the particular levy which the Federal Labor Government read as a de facto tax. The member for Kalgoorlie claimed that people in the goldmining industry in Kalgoorlie were in strong support of his levy, and as a result the Federal Labor Government decided to impose a gold tax on the goldmining industry. I put it to the House that the gold tax will cause tremendous damage and downturn in the goldmining industry. One has only to read the comments when the mini-Budget came out last month to see that business chiefs around Australia believed that the gold tax would spell disaster.



Mr Blaikie: They call it Taylor's tax.

Mr CASH: They do. Earlier today Mr Taylor claimed that he was proud of the situation that it was now known as the Taylor tax. I put it to him that he has done a disservice to the people of Kalgoorlie. More than that, he has done a disservice to those connected with the goldmining industry, and he would do well to face reality and come out and oppose the gold tax which is proposed by the Federal Government.

This Government could have entered into an arrangement where the WA Mint retained a 15 per cent interest - and I am not happy it should have even that much interest - but the other 35 per cent which it has now almost gamsheed could have been operated and effectively worked by other Australian companies. That would have been preferable to the situation we now have. Not only does the State Government move in on various business enterprises, but on top of that the Federal Government wants to ram a gold tax onto the industry. This particular Government has very little understanding of or interest in the long term future of the goldmining industry, and I call on it to reconsider this decision.

MR COWAN (Merredin - Leader of the National Party) [7.59 pm]: Several questions arise from this agreement, and I guess one of the three areas of concern relates to the general question of the Mining Act, or the provisions in the Act being overridden by the provisions in this agreement. It is very clear that we have a unique situation here in that these dumps are to be treated rather differently and in very high volume. I do not think there are any dumps of similar proportions anywhere else in Western Australia, or even in Australia; therefore the treatment of those dumps will always be unique. Nevertheless it is always something of concern when one sees brought into the Parliament an agreement which overrides the provisions in existing State laws. That is precisely what happens with this particular agreement.

Mr Parker: Almost every resource development does that. That is why they are brought in.

Mr COWAN: That is not true. In those instances, agreements are brought in because the companies which want to participate in the exploitation of the State's resources like to have the Government's stamp of approval. Quite often there would be guarantees given by the State, but they do not often override the provisions and powers of existing Statutes.

Mr Parker: In relation to the resource agreements in respect of nickel and iron, they almost invariably do because people want greater security of tenure than is available under the Mining Act.

Mr COWAN: I do not think iron ore is covered by the Mining Act.

Mr Parker: Yes, it is.

Mr COWAN: I think the Minister had better have a look at the Act. In this case it is clear the Government is issuing special licences to the joint venturers for the purpose of being able to treat these particular tailings. The National Party has no great objection to that, but it is concerned about the fact that the existing Statutes of this State are being overridden by the provisions. We recognise, however, that this is necessary in this case, and must be done. I understand from the briefing which was given to us that where the Minister is able to use the existing laws and provisions within the warden's court, he intends to do so.

Mr Parker: That is right.

Mr COWAN: That is quite reasonable, but one question is raised in relation to the provisions in the Bill as opposed to the Mining Act itself. I do not think the Mining Act would deal with this problem either. It has always been accepted that a mining tenement does not cover tailings. I understand that in this agreement the company only has access to the tailings dumps. If it touches the tenements upon which the dumps exist, it will have to seek a special miscellaneous licence to do anything at all which affects the existing tenements in relation to the land upon which the tailings have been dumped.

Mr Parker: That is right, and it will be done through the warden's court.

Mr COWAN: If a mining company is actively operating on those tenements - and I do not know whether there are any -

Mr Parker: Not on the surface because at the moment there is no access to the surface because of the dumps.

Mr COWAN: Yes, but some of them will have tenements, only part of which are covered by the dumps. On the other part there may be prospecting and exploration. One does not know. What happens when a company is in the process of prospecting or exploring or even has reached the stage where it wants to mine, and an application is made for a special miscellaneous licence to run, for example, a sluice drain across that particular mining tenement? The tenement holders are then inconvenienced in their operations. Would compensation be granted? I cannot find any provisions in the Bill for that.

Mr Parker: Because it is left up to the normal provisions of the Mining Act. There is no overriding or interfering with the Mining Act in that regard. It will be left to the warden's discretion in the way in which he would normally consider an identical matter. In the goldfields particularly, or in any heavily mined area, you will find a number of occasions adjoining tenements which people leave at different times. But the Mining Act and the warden's discretion will deal with it. He might award compensation or he might insist that the drain or the pipe be moved. The warden has rights in the matter and we are not proposing to interfere with them.

Mr COWAN: I do not think there are many mining tenements which have multiple use.

Mr Parker: Not on the one tenement, but there may be cases where plant or an aspect of the plant might be in one location and the mining might be done in another, and the tenement owned by somebody else in the intervening area. That is the sort of thing that the warden's discretion is designed to overcome.

Mr COWAN: Yes, but where a miscellaneous licence is granted, is there provision within the existing Mining Act for compensation to the tenement holder if his operations are in any way affected?

Mr Parker: I do not know.

Mr COWAN: I do not expect the Minister to be able to answer that tonight, but I think it would be advisable for him to let me know because I am not familiar with the operations around those dumps. However, it seems to me that if somebody happens to be operating a mining tenement, clearly they should be able to receive some compensation were a special miscellaneous licence to be granted to these joint venturers to enable them to treat the dumps.

Mr Court: On the same point, are you saying that if the tailings are taken away and the person gets access to the tenement, the joint venturers can come back onto the tenement under this legislation? Under this special licence, do you think they could have compensation?

Mr COWAN: No, I am just saying there is no loss or damage resulting from exposing a mining tenement which covers the surface and below. However, where there is a tenement which is partially covered and the uncovered part may already be the subject of a mining operation, and a miscellaneous licence which affects that mining operation is applied for, the tenement holder surely would have some right of compensation. The Minister has assured me that is available through the warden's court. I would like him to ensure that it is.

Another factor of the legislation concerns the National Party, and it is in relation to participation by GoldCorp. There is no reference at all in this agreement to what GoldCorp's 50 per cent participation is involved in. There is nothing to indicate whether GoldCorp is putting forward, through the Western Australian Mint, a certain amount of risk capital; and there is nothing to say what expertise will be provided. I would like the Minister to give some indication about what capital was put forward by GoldCorp through the Western Australian Mint, and whether it is prepared to meet a proportion of the operating costs. The Minister needs to comment on one other factor. It has always been accepted that in this particular venture the joint venturers would produce gold from these tailings and the production would roughly equate to \$12 a tonne of tailings treated. That would be a bullion price; it must be remembered that one of the joint venturers is the Western Australian Mint, which is not necessarily interested merely in gold bullion. It may very well be that the Mint will refine that to anything up to 99.99 gold, and it will have a much greater value added to it. In this particular agreement, where does the Mint stand? Does the value added profit from the treated bullion revert to the company? When does the gold actually become the possession of the Western Australian Mint?

Mr Parker: There is no difference in that regard between this project and any other where the

doré gold goes to the Mint for refining. Certainly, the Mint has an agreement with the joint venturer to refine the gold, and that has a value, but it is a value which is quite separate from the input to the project, just as is an agreement with Telfer, or someone else, who refines their gold. Once it gets to the refining stage, the normal arrangement with doré gold being included in the refining costs is applied to the joint venture, and the benefit to the Mint is the same as that of any of the other 90 per cent of gold producers in Western Australia who use the Mint for refining purposes.

Mr COWAN: None of that is contained in the agreement.

Mr Parker: It has nothing to do with the agreement, it is a commercial matter.

Mr COWAN: So for commercial reasons it is -

Mr Parker: It is not secret. All I am saying is just because one of the parties happens to be a State Government does not mean it should reveal all.

Mr COWAN: I acknowledge that. I have three points relating to GoldCorp's participation in this venture. First, has any risk capital been put forward by GoldCorp?

Mr Parker: Yes.

Mr COWAN: I would be disappointed if it has, because that concerns me a great deal. I do not see this as being the function of GoldCorp.

Mr Parker: It is secured against the future price of gold. It is a non risk situation, in effect, but I will come to that.

Mr COWAN: That is the answer I am seeking. It really is not risk capital if it is secured against the production of gold. That is an important point which needs to be emphasised.

Secondly, what is the operational cost to be borne by GoldCorp? Thirdly, at what point does the gold become the total possession of the Mint in this joint venture? As you would understand, Mr Deputy Speaker, the gold has a set value at its bullion stage, and any refining process and value added because of that, becomes the property of the Mint and, therefore, GoldCorp, whereas, if the gold remains the property of the joint venturers, half of the profit from processing would return to the joint venturers.

I do not propose to talk about the gold tax or anything of that nature. I would like to hear the Minister give a reassurance that the company has been able to make some estimations of its return from this venture which show it is still profitable, notwithstanding the fact that a gold tax is to be applied. As I said, it appears to me that the profit, in terms of gold that we could expect to be extracted from these tailings, is roughly \$12 a tonne, and there is not a large profit margin, unless very high volumes can be treated, which is what I understand will happen. Nevertheless, the margin is very tight. An added impost of a gold tax might influence the final decision as to whether the joint venturers will proceed or, if they do proceed, will be in profit.

Quite clearly the environmental aspects of this agreement, and what that is worth to Kalgoorlie and Boulder, is something that cannot be discounted. One would hope that the expectations of the company, the Government and, indeed, the people of Kalgoorlie will be fulfilled in the treatment of these tailings. If those dumps, which are a real environmental hazard, can be removed and placed elsewhere, that in itself is of great value and, although it cannot be expressed in terms of a monetary figure, it needs to be considered.

I make it very clear to the Government that the National Party supports these measures with those qualifications about the question of compensation, and the questions relating to the participation of GoldCorp, particularly with regard to risk capital, its share of operating costs, and whether the value added by processing becomes the property of the joint venturers rather than the sole property of the Mint.

MR GREIG (Darling Range) [8.16 pm]: I support the comments of my colleagues, the members for Nedlands, Murchison-Eyre and Mt Lawley in generally supporting what is commonly called the Kaltails project in Kalgoorlie. In making my remarks I will also pick up and support some of the comments the Leader of the National Party has just made. This project will no doubt be of enormous benefit to Kalgoorlie. It will provide jobs, business activity and environmental improvements. The stimulus it will provide, particularly the spinoffs to other contractors operating in the gold industry, will benefit the Kalgoorlie

region. I particularly endorse the comments of my colleagues, the members for Nedlands, Murchison-Eyre and Mt Lawley, in their objection to the extension of the Government's involvement in business activity - in other words, what has commonly become known as "WA Incorporated". Members may recall that in my first contribution in this place I made that self same objection, and it was recorded in my maiden speech. Clearly, it would have been more acceptable and appropriate had the Government's half of this project been thrown open to tender. The Government could then take the income from that tendering process up front without risk, and put it to use in the provision of services within the community.

My particular concern relates to the problems which appear to me to arise from the Government's lack of real understanding of the unique factors in the gold industry which make it different from all others.

The DEPUTY SPEAKER: Order! The background chatter is a little unfair to our *Hansard* reporter. If members want to hold meetings - there are four going on at present - there are a lot of passageways in this building. The only voice I, and the *Hansard* reporter, wish to hear is that of the member for Darling Range.

Mr GREIG: Thank you, Mr Deputy Speaker. The problem to which I alluded is epitomised in the impending gold tax which is currently causing chaos in the industry. Only this morning I had contact with a businessman who operates in the gold industry, providing earthmoving contracting services. The pressures which are now being applied to that contractor are horrendous. Contractors have had, and still have, difficulty in getting sufficient plant and equipment to meet the contracts that are open to them, and are generally working one and a half shifts a day.

Mr Thomas: That's not bad.

Mr GREIG: This is the sort of problem that the member for Welshpool, I hope, will understand, although it seems that the Government, corporately, does not.

#### *Points of Order*

Mr PARKER: The other speakers have referred to the gold tax, in some cases at quite some length. I have not interrupted because it seemed they were dealing with it in the context of this Bill. The member for Darling Range appears to want to give a general dissertation about problems he perceives with the gold tax, including the contract to which he is referring. This is not a Bill for a wide ranging debate, it is a Bill about a specific proposal, and I would ask you, Mr Deputy Speaker, to draw his attention to that.

Mr LIGHTFOOT: The very low grade with respect to the recoverable gold from the tailings of that project means that it is viable only during the time it is not subject to a corporate tax.

Mr Parker: That is not true.

Mr LIGHTFOOT: It is, in fact, quite true. If the project were subject to a full corporate tax, at the low grade of 0.4 grams or one seventieth of an ounce per tonne, it would simply become unviable. To that degree the gold tax is very relevant to the debate.

Mr GREIG: It is my intention to bring together the issues of the tax, the low grade, the fluctuation in the price of gold and the new technology which all impinge on this project. I will also refer to the Minister's comments about this project resulting in great benefits to the industry.

The DEPUTY SPEAKER: Before the Minister took his point of order I was starting to get the feeling that the member for Darling Range, who has my protection as do other speakers, was wandering from the debate before the House. I would prefer him to confine his remarks to the debate in the same way as I asked the member for Mt Lawley to do earlier.

#### *Debate Resumed*

Mr GREIG: Thank you, Mr Deputy Speaker. To conclude the comment I was making, the expansion of gold processing in this State has burgeoned in the 1980s. This is another example of technology being of benefit to the State. The new technology which is being used to treat low grade ore, together with the continuing high price of gold and the continuing tax free status of the industry, has been of benefit to the State.

Mr Parker: And the value of the dollar.

Mr GREIG: The value of the dollar is a reflection of the continuing high international price of gold. More recently the exchange rate has raised the value of the dollar and consequently increased the value of gold.

The Government needs to understand the factors relating to this project and the extension of the goldmining industry which we are currently enjoying in this State. It must bear in mind that a large proportion of projects like this, do not involve the same volume or have the same life duration of 10 years, which this project has been guaranteed. This State has enjoyed the enormous benefits that have resulted from the ability of the industry to process low grade ores. This project epitomises that extension. We have the capacity to deal with all the elements of goldmining which are unique and which make goldmining different from other extraction processes. In this case, as in all cases, there must be some form of exploration or research in which the ore body and the grades are identified and quantified so that the extent of the reserve is known. The Kaltails project is a simple one because the ore body is above the ground and is readily accessible.

Technological advances have always resulted in significant surges in goldmining activity and in the 1980s we saw a move from the cyanide precipitation process to the carbon-in-pulp process. There are other methods associated with that and the one with which I am most familiar has generally been called the heat-leach process. By using this process, low grade ores are mined and processed with a sufficient economic rate of recovery. In all these cases the metallurgy of the ore body is important and in the case of the Kalgoorlie dumps that metallurgy is known not to be significantly complicated.

The fourth factor which is important and which is significant in this case is the accessibility of the ore body, the proximity of the reserve to the surface and the infrastructure around it. Clearly, because of the location of these dumps, this project is able to go ahead. It may not have been able to go ahead if the ore that was to be mined was located in even a shallow pit. The fact is that the technology that will be used in this project, and which was alluded to by the Minister in his second reading speech and referred to by the Deputy Leader of the Opposition, is associated with the recovery of gold from the tailings dumps by the sluicing method.

The process of actually transporting the sluiced ore away from the dump to the processing plant is not new technology. In fact, in comparison, the technology which was considered for the Worsley alumina project, and subsequently not proceeded with, was extraordinarily complex. I refer to the transportation of ore by pipeline in a sluiced form. Members may recall that in the case of the Worsley project, three methods of transportation were considered. One was rail, one was by conveyor, which was subsequently selected, and the other was an interesting process of actually crushing the ore at the mine site, and partially digesting it in a caustic solution, with the digestion process being completed as it was pumped down the pipeline. The process of transporting ore in a sluiced form by pipeline is not new; the fact that it is widely used in South Africa is a reflection on the technological capacity to process low grade ore and reprocess tailings dumps. Most of the dumps are situated within the boundary of a town and as a result there is a requirement to locate the processing plant away from the town and ensure that there are no traffic and dust problems.

The next most significant factor about these types of projects is the costs associated with them. I have already alluded to the proximity of the project to established infrastructure, the cost associated with the recovery of the ore and its treatment, labour costs and productivity. It must be ascertained whether the project is able to participate in the gold industry in the same way as other gold mining projects. I ask the Minister whether the joint venture will make contributions from its profits to the industry in the same way as other goldmining companies; that is, when residual goldmining companies find they have made a profit, either as a result of favourable tax arrangements, high prices, particularly high grade ore, or a combination of those things, they immediately increase their exploration and assessments. That additional profit is used to extend known reserves and to undertake further exploration. I ask the Minister whether the joint venturers will contribute in the same way as other residual companies contribute by furthering the exploration of other reserves from their profits in the way of greenfields exploration and proving up known reserves. As I do not think the Minister was listening, I repeat that companies in a very profitable situation because of high prices or favourable tax arrangements put their money into further development of the goldmining industry.

Mr Parker: Some do.

Mr GREIG: Yes, those that have a profit situation.

Mr Parker: I accept that most probably do, but I can think of some highly profitable goldmining companies that do not spend a cent on exploration other than the proving up of reserves in the area they are mining at the time.

Mr GREIG: That may be, but they spend those profits on the purchasing of leases and the like. In that way they are putting profit back.

Mr Thomas: They send the profits back to America.

Mr GREIG: The member for Welshpool will have an opportunity to make his anti-American speeches, especially as his party is now embracing the South African companies.

As was mentioned in the recent point of order, the project in terms of current gold prices is a relatively marginal one.

Mr Parker: Any tailings project is marginal, relative to any other goldmining project.

Mr GREIG: Of course. One of the incentives for treatment of gold tailings dumps is that other uncertainties are removed. It is possible to prove the ore body and determine almost precisely the costs of recovering the ore and processing it. Therefore, the price of gold is one of the lesser uncertainties with respect to a tailings recovery project. Other uncertainties include labour costs and the tax regime. The tax regime can include fuel tax, Taylor taxes, and gold taxes.

Mr Parker: The goldmining industry is exempt from fuel tax.

Mr GREIG: It is exempt for processing purposes, but not for its on road vehicles.

Mr Parker: The on road vehicles are irrelevant to the costs.

Mr GREIG: In addition to developing technology with respect to mining or recovery of the dumps, the process will provide a model for other companies. I hope that private companies will undertake exploration and proving up other LTTs within Western Australia. It is to be hoped that the exception that has been made for this project with the provision of a licence for 10 years will prove to be the rule and that other mining companies will take it into consideration when looking at existing tailing dumps and the processing of the tailings. I do not know what the assays of the dumps have been, but I suspect that the project will not be able to do the high grading which carries some projects over in times of reduced profitability, such as would come if there were a rapid decrease in the price of gold or if, after the next Federal election, a gold tax were introduced. Thus the step by the Government to encourage further the goldmining industry is somewhat at odds with its silence in respect of a gold tax.

There is almost rapacious high grading in the gold industry at present, which will lead to a great deal of instability in the industry. The uncertainty attached to the gold tax issue is at odds with the certainty that exists with respect to this project. The Government, which has been at pains to stress its encouragement of the industry, is contradictory in this respect. Generally, responsible miners are able to husband and farm their reserves, and the high and low grade ores are taken in tandem so that they iron out the fluctuations that are likely to occur in their income and cash flow if they concentrate exclusively on either high grading or low grading. Generally mining companies do that in a most responsible way. They are now being forced away from that in a way that this project will not be forced.

I thank the Leader of the National Party for his precise question to the Minister about the point at which the project will become unprofitable in the event of a gold tax being introduced.

Mr Parker: A gold tax by definition cannot make it unprofitable. It is an impossibility. It is a contradiction in terms. It can determine the internal rate of return after tax, but it cannot make it unprofitable. A gold tax cannot make anything unprofitable.

Mr GREIG: It makes it unviable.

Mr Parker: It makes the question about the return on internal investments an issue. It cannot possibly make it unprofitable.

Mr GREIG: Members may recall the fluctuations in the price of gold over the last 10 to 12

years. In 1976 the price of gold was about \$A150 an ounce. By 1980 it had risen to almost \$A750 an ounce. By 1982 it was back to about \$A300 an ounce. At some point we have to face the prospect that such fluctuations could occur again.

Mr Parker: That's why the Leader of the National Party's question was apt to this point. The way in which they have financed it has locked in on a price of gold which is far higher than the price which is actually being paid at the moment.

Mr GREIG: I am very interested to hear the Minister's answer because clearly fluctuations in the price of gold, increases in wage costs, and changes in the tax regime could well place the project in an unviable position. It could get to the stage where it is not appropriate to continue the operations. It is to be hoped that the Government understands those things, particularly as it has now ventured into the gold industry. It needs to have a more sympathetic understanding of what is happening in the industry. At that point it should also make much more effective representations to its Federal counterpart on the subject of the gold tax. While extensions in the gold industry continue in this way, there will be a burgeoning increase in goldmining activity in this State and then in 1990 potentially a great slump. Under those circumstances, I repeat my support for this project in Kalgoorlie; however, I am perturbed that the Government has continued to be directly involved in the matter, and I ask the Minister to address those questions.

MR PARKER (Fremantle - Minister for Economic Development and Trade) [8.41 pm]: I thank those members who have contributed to the debate, and indicate that the Government believes that in introducing this legislation and passing it through the Parliament, it is contributing in a very substantial way to two things: First, the maintenance and enhancement of investor confidence in this State; and secondly, to a major project which has not only the normal economic benefits one would expect from a project of this size and type, but also - as even members opposite have acknowledged - considerable environmental and social benefits which will be of long lasting benefit and, indeed, will forever benefit the townships of Kalgoorlie and Boulder.

The Opposition has concentrated its comments on this Bill on the involvement of the Western Australian Mint or GoldCorp in this project. I would like to narrate the history of this matter and how GoldCorp came to be involved. I did indicate that Anglo American had owned the dumps since 1979; in fact, I was wrong - Anglo had options on the dumps from 1979 but did not exercise those options until 1983. It used the time between 1979 and 1983 to do research work on hypersaline water, and the renewals of the LTTs took place after consideration of the submissions that Anglo American or its subsidiary, Mulga Mines, made to Government about the level of work it had done on the engineering and other aspects of the treatment. In fact, it is arguable - and I believe strongly arguable - that the discretion that I, or any other Minister for Mines of the time would have had, was not an unfettered discretion; the courts always hold that ministerial discretion is fettered by notions of fair play and reasonableness, and sometimes by other considerations. In this instance Anglo American had used the time between the date at which it had obtained title to the tailings dumps and the date it came forward with that development project, to do feasibility studies and engineering work on the most appropriate way of treating these dumps. It was generally acknowledged that although questions of gold prices and the general financial regime obviously have an impact on the viability of any project, no-one else had felt there was an opportunity of developing these dumps in a particular way prior to that. Anglo also undertook test work on the ground during 1985, and then came to the Government to get agreement in relation to the development of the project.

It is important to understand, in terms of the comments that have been made about why GoldCorp became involved, first as to 15 per cent and, secondly as to 50 per cent, that Anglo American Pacific had approached other Western Australian companies prior to approaching GoldCorp and those other companies had indicated that they wanted to be the major participant in the project and to take control of it. They wanted the management role and operational control of any joint venture. That was unacceptable to Anglo American because one of its aims - quite apart from the obvious financial aim - was to be the manager and operator of the project, in part at least, so that it could test and work this relatively new technology. As the member for Murchison-Eyre said, some part of that technology had been developed in South Africa, but it was refined and advanced by Anglo and was certainly ahead of what had been done in South Africa. It will be the first occasion on which that

particular technology has been used in Australia. As a result, it wanted to be the manager and operator of the dumps, and that has been its consistent position all along. At all levels of negotiation, whatever equity the company had, it insisted on that condition. Some of the Australian gold companies to which it spoke were prepared to participate in the project but only on the basis of their taking over that role.

Mr Lightfoot: Other companies would not have insisted, but would have wanted equity.

Mr PARKER: The companies Anglo approached - those which it found acceptable - said they wanted to take over the management and operation.

Mr Lightfoot: It is certainly inaccurate to say that the reason they did not take up the options was that it did not want to divest itself of the role.

Mr PARKER: It is not inaccurate, and if the member for Murchison-Eyre disagrees, I suggest he argue it with Anglo.

Mr Lightfoot: I will certainly be taking it up with them.

Mr PARKER: Anglo approached GoldCorp for a 15 per cent stake and, without going into the detail, GoldCorp agreed to take up 15 per cent and it was proposed publicly that a joint venture would be formed which would develop the project in this way. Subsequent to that, as the Deputy Leader of the Opposition pointed out, there was considerable public concern and opposition on the basis of the South African involvement. This came not just from those people traditionally opposed to South Africa, but also from considerable sectors of the mining industry.

Mr Court: Who in the mining industry was opposed to it?

Mr PARKER: Quite significant mining companies suggested to me that the appropriate action was to take the LTTs from Anglo and put the project out to tender, more or less as the Deputy Leader of the Opposition has suggested. When I pointed out that that would in effect involve the confiscation of an asset of a company, most agreed it was not an appropriate way of proceeding. I will return to that in the context of the Savage claims made by the member for Mt Lawley. Suffice to say that the 15 per cent GoldCorp involvement was sought by Anglo American Pacific. The other area of opposition was that under the FIRB guidelines on the gold project, normally 50 per cent of Australian equity would be required. In an area where an appropriate economic rent on the project is not being returned to the community, I accept that the alternative, to make sure the Australian community gains the benefit of any project, is to ensure an appropriate level of Australian equity. That is the case in the gold industry and the FIRB guidelines meant that Anglo had to dilute still further. Anglo approached me about such dilution and asked what my position would be about such dilution. The company asked whether I would mind if it diluted to other reputable companies in the goldmining industry - it mentioned three or four companies - or whether I would prefer the company to dilute to GoldCorp. I indicated very strongly that I had no concern: It obviously needed to dilute to an Australian company; that company needed to be reputable as far as the Government was concerned, given that Government assets were involved; but having said that, it was entirely a commercial matter for Anglo and its existing partner, GoldCorp, to work out the nature of that dilution. I played no role whatsoever other than that in determining whether or not Anglo American divested itself of the remaining 35 per cent to GoldCorp, or whether it divested it to some other third company. I understand that discussions were held with other companies and that the two partners finally came to the conclusion that they would prefer to have only the two of them remaining in the project, and GoldCorp agreed to increase its exposure to the project by purchasing an additional 35 per cent from Anglo American.

Mr Court: With due respect, the Minister is not the Minister responsible for WADC or the Mint.

Mr PARKER: That is true, but I am the Minister responsible for this project and this joint venture agreement Act, which is what in effect creates the majority of the assets involved in this project, and it was me to whom Anglo American spoke; and I think it was my advice they took. Certainly, I have had extensive discussions on this matter and on a whole range of environmental and other issues with Mr Bergland, chief executive of AAP and my understanding of the matter is exactly as I have outlined. I do not think that any other Minister responsible for either WADC or the Mint was involved in any such discussions. So far as I am aware, no other Minister was involved.



Mr Court: We are talking about GoldCorp doing the negotiations, and the Mint, and whether it is GoldCorp or the Mint they obviously wanted to take the 50 per cent interest.

Mr PARKER: Obviously they have. That is no secret. They would not be in for 50 per cent if they had not, but that is another issue. I am saying that that was a commercial decision taken by GoldCorp that it wanted to increase its equity to that, and it was a commercial decision taken by Anglo that it wanted to sell down to GoldCorp rather than a third party.

Mr Court: To me it is not a fine line; whether Government Mint or you, it is all Government.

Mr PARKER: All I can say is that I told GoldCorp and Anglo that I was not there as a protector of GoldCorp and that, if they wanted to sell down and if they had 50 per cent Australian equity, I would bring this joint venture agreement to the Parliament for ratification, as I now have. They took a particular decision about the way in which they wanted to go.

In relation to the Mint, the Deputy Leader of the Opposition raised the issue that all the publicity has referred to GoldCorp; and he would be aware that all those arms, the Mint, and Westmill, which are not subsidiaries of the WADC, and GoldCorp, which is a subsidiary of the WADC, trade at the moment under the general ambit of the GoldCorp umbrella. The Gold Banking Corporation Act passed last year, even with the amendments passed recently, repeals the Western Australian Mint Act; but at the moment, as we know from the previous debate, that legislation has not been proclaimed and as a result the corporate body which exists and which is capable of entering into the joint venture is the Western Australian Mint.

The Deputy Leader of the Opposition asked me what were the powers of the Mint as to this particular matter. I refer him to section 8(1)(c) of the Mint Act which empowers the Mint to recover, extract, process, smelt, sample, refine, assay and work gold, and so on. Section 8(3)(a) empowers it to manage, acquire, hold and dispose of real and personal property in trust, and so on. Section 8(3)(g) enables it to form, establish or participate in the formation or establishment and conduct of any business to promote the object of the Act. The Gold Banking Corporation Act, which repeals that Act, also picks up those powers in section 11(2) and section 36, I think; but I am not 100 per cent sure of that.

Mr Court: The Gold Banking Corporation Act?

Mr PARKER: Yes, the new Act. The Deputy Leader of the Opposition raised the issue of capital escalation. I think it is fair to say, as I have said up front, that the environmental requirements of this project are quite considerable in themselves and when one takes into account the fact that this project in the goldfields is proceeding contemporaneously with what were originally the two big pit projects, which are likely to become one big pit project, certainly taken together all those projects have a tremendous impact on the goldfields, both on its resource utilisation and its very nature from every point of view and certainly from an environmental point of view. The EPA, not unreasonably, wanted to see what was the overall direction of the Golden Mile and, in particular, things like water utilisation, land rehabilitation and so on, as a whole before it was prepared to approve any particular project. It is unfortunate for Kaltrails that it was the first in the swim in that regard and its project was therefore held up to some degree. I understand, even on the figures of the Deputy Leader of the Opposition, that there has been an escalation of about \$2 million over a period of seven or eight months. I understand there has been an escalation at the rate of some hundreds of thousands of dollars a month. By the same token it is also true that engineering work has been done. I do not believe that the capital escalation is massive; it obviously has not damaged the viability of the project. Certainly, it is undesirable and it would be preferable for the project go ahead as soon as possible.

To deal with some of the other issues raised by members opposite, project funding of the various parties was raised by the Deputy Leader of the Opposition. I am not aware of what Anglo American Pacific's project funding is, but of course, in effect, the Anglo American organisation as a whole is one giant gold bank and I have no doubt that within that overall organisation AAP will find a way of funding its particular proportion.

I understand that GoldCorp's financing is in place. This also answers the question of the Leader of the National Party as to whether it has funded its position by the forward selling of sufficient gold to finance it; that has been forward financed at a rate that is well in excess of production costs and production costs plus financing costs. As a result - again to answer the

question of the Leader of the National Party - the risk capital has been taken out of both the acquisition cost that GoldCorp has spent on the acquisition of its 50 per cent from Anglo and also the capital costs, and any risk that now attains will only be the risk as to the operational costs from day to day; the capital costs are now free of risk as a result of the funding position.

Mr Court: That is not quite right, you know. That assumes that you get so many ounces of gold from the dumps. No doubt they have done all the work to see just what is in the dumps, but the point we made during the Gold Bank legislation was that many gold loans had been given based on what will be produced when in actual fact that mine cannot produce that physical gold; so you cannot say there is no risk involved because there is still a risk involved.

Mr PARKER: One of the points made by the member for Darling Range with which I agree is that while inevitably tailings projects are more marginal than the development of open pit mining, or even underground mining, depending on the grade involved, one of the risks that if not eliminated is virtually eliminated is the risk of how much gold one gets out of one's resource because the metallurgy is better known. The whole of it can be sampled and there are not the problems that arise in an open pit or mine situation where the nature of the ore body can be quite different from what has been assumed from drilling results. That is the point he made, and I agree that is true.

Mr Court: You cannot just glibly say that there is no risk involved.

Mr PARKER: I am not saying that there are no risks involved in the genus of gold loans; I am saying that in terms of the capital cost and the acquisition cost there is no risk involved in this gold loan because of the fact that the amount of gold and the extractability is very well known, as identified by the member for Darling Range. I am not saying that gold loans as a whole are without risk, because they are. Having been the Minister for Mines for four and a half years, I know some of the things that some mining companies say to their bankers about their resource. I also know some of the things they say to the stock exchange about their resource and some of them, frankly, are pretty wide of the mark, whether deliberately or because practical experience confirms they are wide of the mark. However, that is not the case in a tailings dump situation.

I should have said that, in fact, for the first three to five years the financing arrangements that GoldCorp has in place will not only pay the two costs to which I have referred - that is, the acquisition cost and its proportion of the capital cost; and I think somebody asked me that question and it is 50 per cent of the capital cost - but it will also pay for the first three to five years of the operating costs, so some of that risk has been taken out.

Mr Court: Who has provided those loans?

Mr PARKER: Major international finance houses.

Mr Court: Can you tell us who they are?

Mr PARKER: No, I do not think I can at the moment. It is not really relevant to this Bill. I do not have any personal objection to -

Mr Court: The reason I ask is that Gold Bank has said it is going to get into the business of gold loans, and I was wondering whether -

Mr PARKER: I can tell the member it was not from Gold Bank.

Mr Court: Because there is not a Gold Bank.

Mr PARKER: It is not from Gold Bank or from some other name associated with it.

Mr Court: Although GoldCorp is giving out gold loans.

Mr PARKER: I am not sure about that, but it is not from GoldCorp or the WADC. If the member is asking whether it is from somewhere else within the WADC empire, it is not. If the member is asking whether there is a risk of the gold lender being somewhere else within the Government, there is not. They are a quite independent, third party gold lender.

The project management will be by committee, which will have - similar to most joint ventures of this type - equal participation of Anglo American Pacific Limited and GoldCorp.

Mr Court: You keep mentioning GoldCorp.

Mr PARKER: I am sorry - the Western Australian Mint.

Mr Court: At this stage, they are two separate things.

Mr PARKER: Yes. When the Gold Banking Corporation comes into force, the Mint will be subsumed into that. At this time, the Western Australian Mint, as the joint venture partner, and Anglo American Pacific Limited, will have joint membership.

Mr Court: So when the legislation comes in, it will be the Gold Banking Corporation?

Mr PARKER: It will be the new corporate entity, whatever that is now called.

Mr Court: The new transitional name?

Mr PARKER: Yes, that will be the joint venture partner, because this Bill will repeal the Perth Mint Act, and the Mint will cease to exist, except as a division of the Gold Banking Corporation. However, the project operation will be in the hands of - and this is part of the joint venture agreement - Anglo American Pacific Limited, and it will be paid a management fee, which is a profit related management fee.

Mr Court: Do you have the amount of that fee?

Mr PARKER: I do, but I would rather not talk about the detail. It is a fee which is not unreasonable in the circumstances and which gives an incentive to Anglo American Pacific Limited - in addition to its obvious incentive of having 50 per cent - to maximise profit for both partners. The break even point is considerably lower than the current gold price in Australian dollars, and there seems to be little doubt that -

Mr Cowan: What will be the recovery rate?

Mr PARKER: The expected recovery rate is around 0.3 to 0.4 grams to the tonne. There are two different types of ore in these tailings - sulphide ore and oxidised ore - and the recovery rate will vary as between one and the other, but it is on a very low recovery basis.

The pipes for moving tailings from the dumps to the plant will be dealt with in the normal way. We are not seeking to interfere with the Mining Act, except in relation to matters which are absolutely required. The first is the longevity of the 10 year licence agreement. The second is the longevity of the general purpose leases, and the ability in both cases for the joint venturers to operate those beyond the normal time of the project for rehabilitation purposes. In every other respect, the Mining Act will apply. The Leader of the National Party asked me a question about that, and I can say only that there will not in any way be an impact on the conditions applying under the Mining Act for the issue of miscellaneous licences, and the warden will have the normal discretion that he has in that regard. Section 94(4) of the Mining Act says that the warden can set conditions - not just standard conditions, but any conditions that he requires under the Mining Act - and he can add conditions.

Mr Cowan: Conditions are one thing; compensation is another.

Mr PARKER: Compensation is not provided for. There is, however, first a right of appeal. As I said, if that is true of this project then it is equally true of any other. In the short time available, I have not been able to assess whether there is a right of compensation. It might be that there is a general right of compensation somewhere else under the Mining Act, but in terms of the specific conditions under the Mining Act relating to miscellaneous licences, I cannot immediately see any compensation requirement. There is certainly not a compensation requirement in the agreement before the House because we are not proposing to interfere with the operation of the Mining Act and the warden.

Mr Cowan: There are not any compensation provisions in the Mining Act, and if these people do have a case for compensation we have then a discrepancy and inadequacy in the -

Mr PARKER: There may be an inadequacy in the Mining Act if that is the case, but I am not sure that it is. However, if it is, it is no more different in this instance than it is in general. There is not anything specific in this Bill or in anything that is before the House at the moment. The idea of miscellaneous licences is to allow people access to tenements, and the warden can issue the miscellaneous licences in any way that he wants to, and of course can require, in the issue of such a licence, that they are issued in a way which does not disadvantage the holders of any other tenement.

The final issue raised was that of the salinity of the dumps. It is true to say that the hypersaline water is not going to make the revegetation of the dumps any easier, but the fact of the contouring of the dumps, and the relocation and management of them in this way, is going to help with the revegetation. The Goldfields Dust Abatement Committee, which was an initiative of my colleague, the Minister for Fisheries, and which he served on as chairman for many years, long before he became a Minister, has found that where there is a flat surface, it is possible to rehabilitate the dumps. The problem with the dumps as they exist at the moment is that their steepness and contours make it impossible to rehabilitate anything except the top, so the dust is able to continually blow from the sides. These new dumps will be contoured in such a way as to provide for rehabilitation.

It is important to say that taken together, the slurring and the processing of the dumps is new technology to Western Australia. I think it is acknowledged by both the member for Darling Range and, to some degree, the member for Murchison-Eyre, that this technology is new to Western Australia, although some of it may be used in other parts of the world and in other mining applications. The use of hypersaline water in this process is untried on this scale. The Water Authority has given approval for the proponents to draw sufficient water from the aquifer. The Water Authority is happy to see this resource being used because it effectively leads to the conservation of other resources. The salinity of this water is 180 000 parts per million, which is several times the salinity of sea water, and it has no other use. The recovery I referred to earlier will vary from year to year, depending on the type of the tailing, whether it be from sulphide or oxidised ore. The sulphide ore, when treated, will yield less than 0.3 of a gram per tonne.

I would like to deal with two or three of the other issues raised by members opposite. The member for Murchison-Eyre raised the issue of the availability of sodium cyanide. It is true that the great rise of the gold industry over the last four or five years has created a shortage of this product. It is true also that in Western Australia the CSBP organisation is going ahead with a plant to produce sodium cyanide, and even before work has started on the plant as it was approved, it has announced a proposal to double its size. That plant will produce approximately 80 per cent of the needs of Western Australian industry in relation to sodium cyanide. Whether they will use that sodium cyanide is a moot point because there are some who say they prefer to use solid rather than liquid sodium cyanide; but to take the overall supply and demand point made by the member for Murchison-Eyre, it will increase supply considerably and thus should have a downward impact on the cost of and demand for sodium cyanide. Certainly in terms of handling, it is far safer to handle this material, especially for major operations.

Mr Court: When you say it is safer to handle, it is not safer to transport.

Mr PARKER: My view is that transported by rail, it is safer to transport than solid sodium cyanide compared with the way solid sodium cyanide is transported at the moment. It depends on how it is transported. Solid sodium cyanide is being transported on the back of trucks in drums, and this is being transported in specially built containers, largely by rail; but even when transported by road in these containers, my view and that of the EPA is that it will be safer to transport than the drum transport which takes place at the moment.

Mr Court: I do not think so at all. There was a report into the transport of liquids. You can roll a truck with drums of solids and they can go all over the place.

Mr PARKER: If they spill, they have an adverse impact. I agree, that must be protected against. My view is that in the containers which have been designed especially for this Kwinana project, the transport will be safer than it would be in drums.

Mr Court: I think you would be happier with a solid rather than a liquid plant at Kwinana.

Mr PARKER: There may well be both solid and liquid plants. It depends on the size of the project. Large projects would probably prefer to use liquid sodium cyanide because of the volume and the amount of handling involved. Smaller projects, especially those further removed, would probably prefer to use solid sodium cyanide. I do not know which this project will use; it is entirely a commercial decision. The point I was making was that the availability of this substantial extra volume of sodium cyanide on the world market will have an impact on helping the industry in the way suggested by the member for Murchison-Eyre.

The member for Murchison-Eyre also made the rather extraordinary statement that this

project would not be viable once the gold tax is brought in. That is nonsense. He has no basis for saying that. The member for Darling Range talked about viability versus profitability. Obviously the tax reduces the after-tax rate of return - there is no question about that - but it is still viable. Firstly, it is obviously profitable, otherwise the gold tax would not be a factor. Secondly, the member for Murchison-Eyre must think that Anglo American is very stupid to go into a project which will last between 10 and 15 years on the basis that only the first two years would be viable after the gold tax. That is arrant nonsense, and I cannot believe anyone could seriously advance such a proposition.

I will deal with the point raised by the member for Mt Lawley about the Savages. The Savages proposed to me some time ago that I should exercise my discretion in such a way as to remove the LTTs from Anglo American and give them to him. This was long before GoldCorp became involved. I can understand that from his point of view.

Mr Court: That is a deal you would understand.

Mr PARKER: But I can assure members that I gave that proposition very short shrift. I could not believe that anyone could seriously come to my office and say that I should help him to steal an asset which belonged to another company. Quite apart from the propriety of it, there is not unfettered discretion in ministerial hands about how to deal with these matters because the courts will determine on what basis Ministers ought to exercise their discretion. It is certainly arguable - and I would argue it strongly; indeed the warden decided - that these companies had a right to the renewal of their LTTs on the basis of the work they had done.

Let me deal with Mr Savage's first complaint before Warden Reynolds. Warden Reynolds is not subject to the Government. People can appeal to the Supreme Court, and they do, but I will come back to that in a moment. The warden said that there was no licence existing, and therefore nothing on which any of the complaints could operate. Secondly, all that existed was a right in favour of the defendants to have the Minister exercise his discretion. Thirdly, he found that tailings are not land for the purposes of the Mining Act, and that there is therefore no power to grant an exemption from any condition. Fourthly, and most importantly, he said he did not care whether a licence was in force or not; he did not care whether the companies concerned were current holders of licences; but if they were, he would not have found anything sufficient in the complaint to justify him in taking the licences from the companies. Not only that, but he said there was nothing in the complaint to justify him imposing a fine on the companies. In addition, he said if he was going to do either of those things, which he was not, the last person he would give it to was Mr Savage. That was the warden's decision, and it was pretty unequivocal. It is not surprising that Mr Savage is upset. He is upset because I would not help him pinch these tailings.

Another complaint was brought, not by himself, but by parties associated with him, in March of this year. That was heard by the same warden and the earlier decision was confirmed. I am sorry that Mr Savage is upset. I would prefer that no-one was upset, but we have to deal with these things on the basis of equity. People come into my office - they did so especially when I was Minister for Minerals and Energy - with all sorts of propositions. The other day, someone came in because he said the Government should interfere in a matter being heard in the warden's court concerning a company in receivership. This man said, "I have a mineral tenement in a company in receivership. I do not have access to it because the company is in receivership. I want you to intervene in the case before the court, firstly to resolve a matter between that company and another which is claiming rights in the tenement, and secondly, to get it out of the hands of the receiver and into my hands." That is into the person's hands. That is fraud and theft.

Mr Court: He had probably been reading in the paper about all these deals you do.

Mr PARKER: None of those involved fraud or theft. This person had an extraordinary view of his position. He was saying that in this case the Government should do two quite illegal and improper things. One was to interfere in judicial proceedings to his benefit. That is bad enough, but in addition he suggested it should defraud the creditors of a company of an asset which the company owned and which the receiver was dealing with in order to maximise values for creditors so that the principal shareholder of the company should gain a benefit. That is the sort of thing which is constantly suggested. That same person went to the Press and tried to convince some journalists - I am pleased to say unsuccessfully - that the

Government had somehow duded him on this. When I went through it with the journalist concerned he realised that that person should not be given much credence. People have strange views of what their assets and rights are.

Mr Court: Who would have thought that the Fremantle Gas and Coke Co Ltd would have gone the way it did?

Mr PARKER: In what way?

Mr Court: In that you made a decision to change the Act to allow it to increase its capital.

Mr PARKER: There was no change to the Act. I made a decision, which was very similar to that made by the member for Floreat when he was in charge of it, to allow the company to increase its share capital. The only reason that matter was in the hands of the Minister was that the Fremantle Gas and Coke Co Ltd was not a company incorporated under corporate legislation but rather incorporated by this Parliament. Any other company would have been able to do that very simply by going to the Corporate Affairs Department.

Several members interjected.

The ACTING SPEAKER (Dr Alexander): Order! The debate is not about Fremantle Gas and Coke Co Ltd.

Mr PARKER: All I am saying is that these people have rather extraordinary views and they have obviously put those views to the Opposition and convinced it of their views about this matter. But the views were thrown out of court unceremoniously by the warden on two occasions at least, and no-one else gives them any credence at all. Indeed, the claim that they sometimes make that they could have the technology to treat these tailings at this volume is laughed at by most people in the industry.

I think I have now answered all of the questions. One question that was asked of me by the Leader of the National Party related to whether GoldCorp had made an estimation of its return on the project. The answer to that is yes, I understand that it has and that it is a very substantial return. I understand it has made an estimation of its return both before and after the extension of the corporate tax to gold and in both cases there is a very substantial internal rate of return.

Mr Court: I have a couple of questions. You did not mention what the new technology was.

Mr PARKER: I dealt with that earlier - the member may have been out of his seat. Indeed, both the member for Darling Range and the member for Murchison-Eyre acknowledged that, and the member for Murchison-Eyre put it quite well when he said that some of this technology is operating in South Africa but it is not operating here. I made the point that the slurring, sluicing and processing, taken together, are not technologies which are currently operating in Western Australia.

It is not my job to go out and sell Anglo American Pacific Limited's technology; if the Deputy Leader of the Opposition has an argument he should go and argue with that company. Suffice to say that it is not technology that is operating in Australia. Like any other mining technology it is a development of existing techniques. I said that it is a well known concept in the tin mining industry; it is a development of things which are being done in South Africa; but it is state of the art technology, even for Anglo American. It is a further advance on what they are doing in South Africa and it is completely new technology in so far as Western Australia is concerned.

Mr Court: You began to explain how it started off in GoldCorp yet the agreement is done with the Mint, but you did not connect the two. Why did it go from GoldCorp across to the Mint?

Mr PARKER: Because the Mint is the only corporate body which exists at the moment which can undertake the project. It is the Mint which has within it the tailings treatment operations - the Westmill operations are within the WA Mint. The public comment on it refers to GoldCorp because the whole thing comes under the overall public umbrella, if you like, the trading name of GoldCorp. But the corporate body is the Mint, and ultimately the Mint will be subsumed into the Gold Corporation and that will still have the trading name of GoldCorp or Gold Corporation.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*Committee*

The Deputy Chairman of Committees (Mr Thomas) in the Chair; Mr Parker (Minister for Economic Development and Trade) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Interpretation -

Mr COURT: In the definition of the tailings areas it says "... referred to in recital (a)". It would be helpful if some sort of plan were presented to us with this legislation so that we could understand the area we were talking about. At the briefing that the Minister organised for us - and I thank him for that briefing - we did see an aerial photograph of the area. It is all very well for the clause to say "recital (a)" and list all the numbers, but it would be more helpful and self-explanatory if it were presented in map form.

Mr PARKER: I am happy to provide members opposite with a map of the tailings. It was necessary for the purposes of clarity - in fact it would be legally less clear to have a map which drew it than to have the recital on page 2 of the Bill. However, I accept that from the point of view of descriptiveness a map would be clearer and I am happy to provide one. I will ask my office to do so as soon as possible.

Mr Court: Thank you.

Clause put and passed.

Clauses 4 and 5 put and passed.

Clause 6: Power of Joint Venturers to enter and re-enter certain lands and carry out rehabilitation operations and works thereon -

Mr COWAN: This clause should provide for compensation if there is no adequate compensation provision for those people who hold mining tenements referred to in clause 3 of this Bill. Where a miscellaneous licence is granted by the warden's court, if they are already carrying out some mining operation and because of the grant of the miscellaneous licence no compensation can be provided under the Mining Act, this is the clause which should provide for it in order to put beyond doubt the fact that those people who hold mining tenements on the underlying lands have the right to some compensation from the company if their operation is in any way affected. I do not even know how many of the tenements actually have a mining operation on them at this stage.

Mr Parker: None of them does.

Mr COWAN: I do not know how many of them intend to commence mining operations in the time that the joint venturers will be extracting ore from the tailings. But the special licences run for a period of 10 years, so it is quite possible that some of the people operating these leases may wish to commence mining themselves, or even commence exploring. It would be wrong if adequate compensation could not be provided where a miscellaneous licence which has been granted to the joint venturers has affected the holders of the tenement in the operations they are attempting to carry out. I hope the Minister will have his officers examine the Mining Act to ensure some compensation is provided within the Mining Act. If there is not, I hope something will happen to this clause in another place. I understand that the warden's court has found there is no difference between what is above the surface and what is below it. That throws a completely different value -

Mr Parker: That is in relation to the tenements held under the 1978 Act. These LTTs are held under the provisions of the 1986 legislation.

Mr COWAN: I am talking about the tenements referred to in clause 3. The people who hold those under the interpretation of the warden's court also hold what is above it, so on that basis the intent of these provisions is very important in being able to give title to the joint venturers to those tailings dumps. I would like the Minister to examine whether the Mining Act contains adequate compensation for people who are tenement holders as referred to in clause 3, and where a miscellaneous licence is granted over those tenements, and they are in any way disadvantaged, that due and just compensation is payable to the tenement holders.

Mr PARKER: I would like to make two points. First, there is nothing in this Bill that alters the right of those underlying tenement holders or indeed any other tenement holders in relation to the miscellaneous licences or, as far as I can tell, on any other matter. We are dealing with miscellaneous licences, which is the issue the Leader of the National Party raised. Nothing in this Bill alters or detracts from those rights. It simply leaves the matter to the warden for his determination.

Secondly, I have given as good an answer as I can this evening in respect of compensation under the Mining Act for miscellaneous licences. I will ask that the matter be reviewed and if it is felt there is a general defect in the Mining Act about the issue of compensation, I will draw that to the attention of my colleague, the Minister for Mines, for potential remedy within that Act. I would not contemplate the idea of giving these underlying tenement holders greater rights than are available to any other tenement holders under the Mining Act. If there is a problem - and I do not know that there is - it is one which is general to the Mining Act and should be dealt with on that basis.

The court decision to which the Leader of the National Party referred relates to the ownership of tailings where there are no LTTs, because the whole purpose of the 1978 Act was to cease to distinguish between above and below ground aspects. That is one of the reasons there is no licence to treat tailings contained within the 1978 Act, and one of the reasons the Mines Department is strongly opposed to the introduction of such LTTs into the Mining Act. That is the only way we could deal with these issues. Indeed, all other tailings treatment operations in the State operate under the 1904 Act on the basis of the transitional provision of the 1978 Act. That provision would prevail, notwithstanding that decision. Certainly, if these LTTs were to lapse in the future, there would be some argument as to whether the tailings were the property of the Crown or whether they would be the property of the underlying tenement holder who, in this case, is a variety of people, but mainly Mr Bond, who would get a sudden windfall gain which I am sure some members opposite would not be too keen about. Nevertheless, the LTTs clearly establish that the right, year on year, is held by the LTT holder. The Government is merely extending that for a longer period because of the nature of the capital expenditure required for this project.

Clause put and passed.

Clause 7: Tailings remaining on expiry or determination of special licence to become absolute property of Crown -

Mr COURT: In respect of the Minister's explanation in the previous clause, could I put to him that when this project is completed - say at the end of a 10 year period; although the company can get a five year extension -

Mr Parker: Yes, if they bring in other tailings. For example, if they bring in KMA tailings, they can get an extension.

Mr COURT: Let us say that at the end of 10 years the company can walk away from that. If there are some tailings left on the site, what would the Minister envisage? Would the LTTs be discontinued and a new mining tenement be established under the 1978 Act?

Mr Parker: Yes. There might be a tenement, depending on whether someone held one, but anything these partners want to do would be purely subject to the provisions of the 1978 Mining Act.

Mr COURT: What about the people who hold the mining tenements there now?

Mr Parker: The mining tenement holders who are there now - if they continue to hold them - would have their existing rights preserved, but in respect of any untreated tailings, pursuant to this agreement, it is clearly established that they become the property of the Crown in the event of the termination of the agreement either by virtue of the cessation or termination of the agreement.

Mr COURT: Even though the tenement under the Act gives them the right to above and below ground?

Mr Parker: That is right.

Mr COURT: In this area, they would not have any right to the tailings above the ground?

Mr Parker: Not these tailings.



Mr COURT: Not even after the 10 year period?

Mr Parker: I am pretty sure, but I will confirm that.

Clause put and passed.

Schedule -

Mr COURT: The Minister gave some explanation as to the salinity of the water. I am interested to know whether that is double the salinity of sea water.

Mr Parker: More than double; it is more like five times.

Mr COURT: What sorts of volumes of water are required, and is there actually a shortage even of this very saline water? Have the joint venturers been involved in these talks for sea water coming from Esperance? What is their opinion about this?

Mr LIGHTFOOT: Before the Minister answers those questions, I would like to ask a question in respect of the retreated tailings which will be resaturated with a substantial quantity of salt - I think the Minister said five times as salty as sea water, so it is super saline water - and which will be pumped down to a 300 hectare sandalwood reserve. What sort of environmental effect will that have on the reserve? What effect will the hypersalinity tailings have on the sandalwood reserves? Would not that create an enormous environmental problem with regard to reafforestation? As the dumps are widespread, is the Minister satisfied, notwithstanding the EPA report, that this will not have a damaging effect on the sandalwood reserve?

Mr PARKER: The water requirement will be 12 000 tonnes per day for the project, or 32 million tonnes of water over the life of the project. I understand research has been undertaken both by Australian Groundwater Consultants and the EPA so the Government is satisfied that the resource is there. This is a very worthy conservation use of this resource given that it would be almost impossible to conceive of another use; it is too saline for ordinary process water. An additional water resource is being created; and given the ability to use hypersaline water, this has satisfied the EPA and the Water Authority.

The agreement gives considerable powers to the State with respect to water. If some problem is found with the resource or with the environmental aspect of the use of hypersaline water, the State can require the joint venturers to use some other source of water. The question needs to be asked whether the viability of the project will be adversely impacted upon and to what degree by such a decision. The studies on the sea water proposal put forward by the Kalgoorlie Development Corporation show that the differential costs between groundwater and bringing a pipeline from Esperance - albeit that the sea water would be better quality - would be high. The cost of extracting groundwater is something like 60c or 70c a kilolitre; the cost of sea water would be in excess of \$2 per kilolitre.

Mr Court: It would be cheaper to use milk.

Mr PARKER: The figures may be wrong but not that far wrong. Maybe the difference would be 60c or 70c per kilolitre and \$2.40 per kilolitre, which is a substantial differential between the two methods.

The aim has been to move the tailings away from the town, and the sandalwood reserves have been addressed. People often forget that timber reserves scattered around the goldfields are not for conservation purposes and were created mostly for the purposes of sandalwood export. In many areas, they were to be cut down for the mines so conservation was the furthestmost purpose from the mind. CALM takes the attitude that it does not matter how the reserve was created, it is now there for conservation purposes. The area is not a substantial sandalwood reserve, and I understand it is a degraded area. A land swap has been agreed to, enabling the provision of extra land for additional sandalwood. From memory the tailings dump will be 1.4 kilometres by 1.8 kilometres in size, and the contours will be such that the expectation is rehabilitation will take place on it, even with the high salinity of the water. If problems occur, provisions exist for the armouring of the dump to prevent dust flying around.

Mr Lightfoot: Will topsoil be put on the dam at completion?

Mr PARKER: I do not know about topsoil, but some material will be placed on top to allow the growing of saltbush.

Mr COURT: Could the Minister give some indication of the size of the slurry pipe from the dump to the plant and its location above the ground? Does pumping take place at each end? Will problems occur where the pipe cuts across people's properties, roads, and so on? Are suitable power supplies available for the project, or will they be upgraded from the mine to Kalgoorlie? Is there a limit to the amount of power available to this and future projects?

Mr PARKER: When this Government took over the Muja-Kalgoorlie transmission line -

Mr Court: That was good Government.

Mr PARKER: The member's Government stated it would do that, but still no decision had been made when this Government came to power. Whoever did it, it was a good decision. When this Government took over Kalgoorlie power, as I recall in 1984, the maximum demand was about 45 megawatts, which rapidly rose to 90 megawatts, and now the limits of safety are being pushed. Because of general demand in the region the Government will upgrade the substantial capacity of the line to 130 to 140 megawatts, not only because of this project but also because of the huge power demand which will come from the big pit projects churning through around 12 million tonnes per annum of ore. The various KMA leases process about two to three million tonnes at the moment. The big power changes will come from that area and not only from this project. I understand that the power demands will be met, including those from the big pit projects, and the power provided will be sufficient for them as well as all other consumers.

I cannot give details of the nature of the pipeline or the size of it, but I understand all arrangements have been made for that. As explained to the Leader of the National Party, where miscellaneous licences are required, the Government will leave the decision on the granting and the conditions of them to the warden. The Government does not propose to interfere with the normal discretion of the warden to consider those matters. The plant in the tailings dams is adjacent. The slurry goes from the existing dump to the plant and straight out from the plant into the tailings dam.

Schedule put and passed.

Title put and passed.

### *Report*

Bill reported, without amendment, and the report adopted.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Parker (Minister for Economic Development and Trade), and transmitted to the Council.

## **ACTS AMENDMENT (PARLIAMENTARY SUPERANNUATION) AND TRANSITIONAL ARRANGEMENTS BILL**

### *Second Reading*

Debate resumed from 15 June.

MR MacKINNON (Murdoch - Leader of the Opposition) [9.53 pm]: This Bill amends arrangements which apply to the superannuation of members of Parliament and covers three specific areas. The first area covered applies to members of the Legislative Council who, other than for the implementation of the new electoral legislation, could have expected to have served their full term until 21 May 1992, six years from the date they were first elected. Because of changes to the electoral legislation, those members will now serve only three of the six years. Three members who expected to serve the full term until 1992 have indicated they will not be seeking re-election for three different reasons. This Bill extends to them the superannuation entitlements that they could have expected had they served their full terms. The Opposition does not oppose that; it is a sensible arrangement.

The second change relates to the terms a member must serve before automatically qualifying for a pension. Under current legislation a member must serve for four full terms of three years before he is entitled to that pension. Under the new arrangements, a member must serve for three terms of four years because the electoral legislation was altered to allow for

members to be elected for four year terms. The final change was referred to by the former Premier. It relates to members who enter Parliament at a young age of, say, 25 who serve for 20 years, retiring at the age of 45 and who then elect to take an indexed pension for the rest of their lives. That would involve a monumental payout from the fund. The tribunal has recommended that, to encourage younger members to take the lump sum payment rather than to opt for the pension entitlement, the commutation factor should be increased. I understand that the plan which the tribunal favours is that the factor be 12 at age 65 and increase by 0.1 for every year below 65. A member retiring at 55 would have a factor of 13 and at 45 would have a factor of 14. That seems to be a sensible arrangement and, in the long term, would save the State money.

When is it likely that this legislation will come into effect? Will it affect current members of Parliament or members who have already retired or does it come into effect on the date of proclamation? I have not seen anything in the Bill which indicates that that could change or is different. I may have missed something.

The Bill does not increase markedly benefits for members in general terms except for members retiring early. It makes changes to the fund which will probably save the State money and not cost it money. The Opposition has pleasure in supporting the Bill.

**MR PEARCE** (Armada - Leader of the House) [9.58 pm]: I thank the Leader of the Opposition for his generous support of the legislation. As he said, the Bill falls into two parts, the first being a natural corollary of the new electoral arrangements so as not to disadvantage members elected for six years, and the second part dealing with a commutation arrangement in the way referred to by the member.

The Bill comes into operation when it is proclaimed. It has no retrospectivity. However, it gives a power to the tribunal to make determinations only with regard to changed arrangements. The Leader of the Opposition pointed to a possible arrangement which is not an arrangement referred to in the Bill but is an arrangement which the tribunal might like to reach under its own steam.

**Mr MacKinnon**: Can it make it retrospective if it wants to?

**Mr PEARCE**: It may be able to, but I do not know whether the tribunal has the capacity to do that. It could be made retrospective only if it applied to members who had already resigned or retired, and I do not know whether the tribunal will have the capacity, under the Act, to make judgments of that kind unless it is empowered by legislation of the Parliament. I would not claim to be an expert on the law in regard to that. I do not think it is intended that there should be any retrospective application.

Question put and passed.

Bill read a second time.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Pearce (Leader of the House), and transmitted to the Council.

## **ROAD TRAFFIC AMENDMENT BILL**

### *Second Reading*

Debate resumed from 16 June.

**MR HOUSE** (Katanning-Roe) [10.02 pm]: When this debate was adjourned last Thursday I was in the middle of making a remark with regard to the fact that the National Party will, in the Committee stage, move some amendments to increase the proposed penalties in certain clauses of this Bill. The proposed amendments appear in my name on the Notice Paper. I also made the point that it was my opinion, and the opinion of members of the National Party, that mandatory gaol sentences were not necessarily the answer to crimes, particularly those crimes involving people who vandalise other people's property. It is the opinion of my party that it would be far more appropriate that other forms of punishment be inflicted on those people.

It is my opinion that courts do not make enough use of community service orders. One of

the reasons they are not imposed is that they are a little difficult to administer. There is a reluctance by magistrates and justices of the peace in some of the remote country areas to impose community service orders because the supervision of the people concerned is, in many instances, less than satisfactory. I am not being critical of the people asked to administer the scheme, but there are not enough people who have the authority to administer community service orders. In many cases, they are situated far from the scene of where they will actually administer the order. In many cases magistrates and justices of the peace in remote country areas are reluctant to impose community service orders for that reason. I put it to the Minister and the Government that we must find a way around that problem. I am firmly of the opinion that parents should be held responsible for the actions of their children. To that end I have taken some interest in the Bill introduced in the other place last week that pays attention to that problem.

There is no question that this Parliament must give some thought to allowing people to protect their property. During the Address-in-Reply debate I referred to a person in the great southern who paid a severe penalty for protecting his property. I will repeat for the benefit of members, because it is worth repeating, that I believe the man concerned has been severely punished for an action that was basically protecting his wife and family who are very dear to him and his property which, as an agricultural contractor, he had worked hard to build up.

We must take more notice of the meetings which are being held in the country areas of Western Australia and at which people are expressing their concern about law and order issues. We must do something about making sure that people can protect their property in order that vandals, who do not have anything better to do, realise that action will be taken against them. At present, a person who takes action to protect his property is disadvantaged by the law.

I now turn my attention to a couple of other points that are covered in this Bill. On the next private members' day I will introduce a Bill to amend the Road Traffic Act. I will discuss that Bill in more detail at the appropriate time. However, it is relevant to this Bill because we are paying attention to the requirement not to have to license certain classes of vehicles and people who drive them.

I am of the opinion that a regional licence should be available to allow people who may not pass a driving licence test to drive in selected country areas. It will give some people the opportunity to drive from their home to a country town or from their farm to the regional centre to do their shopping. The person to whom I am referring may be capable of doing that, but may not be capable of driving on the freeway system in the metropolitan area. My Bill will pay attention to that.

The Police Force in Western Australia is concentrating on traffic matters. I find it amazing that every time a problem arises with regard to law and order it seems to coincide with another blitz on motorists by traffic officers. It appears we are producing a generation of policemen who sit behind the wheel of a motor vehicle or behind a desk and do not know anything different. It is not the fault of the policeman, but of the Commissioner of Police and his immediate subordinates who issue those instructions. It is a long time since I saw a policeman walking the beat in the country towns I represent. It is also a long time since I saw a policeman strolling up and down the street, walking into shops and talking to people in an endeavour to lift the profile of the Police Force. Every time I see a policeman he is either driving a motor vehicle or pushing a pen to fill in a form to prove that he has done some work so that the hierarchy of the Police Force can produce a set of figures to indicate what work has been done. It is time that members of the Police Force were issued with an instruction to get out of their motor cars, to get out from behind their desks and walk up and down the streets. They should be instructed to pay some attention to talking to people. They should administer the law rather than enforce it. If we do that we will create a better liaison between the Police Force and the people.

I repeat that neither my colleagues in the National Party nor I can find our way clear to support mandatory prison sentences. To that end, we will make certain that we support the Government's amendments with respect to withdrawing those mandatory prison sentences. I stress that the Bill will still allow the courts to issue such sentences, but it will not be compulsory to do so. On Thursday I gave what I thought was a very good example of why the parent legislation should be amended.

Finally I refer to that part of the legislation which allows people not to report an accident if the damage caused by that accident does not exceed \$1 000. I wonder how we can prove that a person made a judgment that the damage did not exceed \$1 000. It opens up an excuse for people not to report an accident immediately. The morning after the accident they could claim that they did not know anything about panel beating or whatever. They may be able to take advantage of having a damn good sleep between when the accident occurred and when they reported it. I would not have much idea of whether damage to a vehicle was \$1 000, \$3 000 or \$4 000. Most of us who have had to go to a panel beater to have a bingle on a car fixed would probably have been rather shocked at the assessment of the panel beater. It may be possible to make a fairly close estimate when talking about a minor scrap but not when we are talking in terms of thousands of dollars.

In the Committee stage I will move the amendments that stand in my name.

MR CRANE (Moore) [10.13 pm]: It was not my intention to speak on this legislation, but I cannot believe what I have just heard. I thought I heard the member for Katanning-Roe say that his party supports the Government in its move to amend legislation which at present provides for a mandatory sentence for second or subsequent offences of stealing motor cars. Good God, that cannot be right! In view of the concern expressed in the country in the last few weeks, I just cannot bloody believe it. I would like to hear the member for Katanning-Roe say it again. It cannot be right.

We cannot have it both ways. At public meetings we have listened to people expressing concern about the rising number of car thefts. Have we been kowtowing to them, trying to get them onside, or trying to get favours from them? I cannot believe what we have just heard. Between January and May this year 4 053 motor cars in this State were stolen, yet we introduce legislation that can be described only as Clayton's legislation because it would reduce penalties which were not severe enough in any case.

Mr House: That's rubbish!

Mr CRANE: It is not rubbish; I am speaking the truth. The member for Katanning-Roe should go up to Wannamal and tell concerned people in that area what he just told the House and see how they like it. They will not like it at all.

Mr House: You pretend to be tough, but you are only a cream puff.

Mr Gordon Hill: He gets under your skin, doesn't he?

Mr CRANE: He does not get under my skin. I have dealt with people a lot tougher than he is.

The ACTING SPEAKER: Order! I ask the member for Moore to address the Chair.

Mr CRANE: In the last couple of weeks there has been hypocrisy on the part of those people who have said on the one hand they are sorry that people are stealing cars and not being apprehended and on the other hand that they will make it easier for those criminals not to be punished as severely as they ought to be.

Mr House: Read the Notice Paper.

Mr CRANE: The member for Katanning-Roe should read what he said in the Parliament and tell me that that is not hypocrisy relative to what we have been telling people in the country over the last few weeks. It is hypocrisy and I will not tolerate it without bringing to book those responsible for it. The member for Katanning-Roe can shake his head. He knows damn well what I am saying and he knows what has been said in Wannamal. He knows what the people are concerned about.

We are taking away some of the impetus from legislation which itself was not adequate and we are making it much easier for people to get away with crimes which they have been getting away with for far too long. I cannot and will not support this legislation. Thank God I now have nothing to do with the National Party, because I certainly would not support that attitude in this place in view of what country people have asked us. They have begged us to do something in this place about the stealing of motor cars, yet we come up with the sort of stupid attitude displayed by the member for Katanning-Roe.

I cannot and will not support the amendments to the legislation in view of what has been said. Three cars in this State are stolen every two hours. How many have been knocked off

since the member for Katanning-Roe started to speak tonight? One has probably gone already and before I sit down another will have gone, yet we do nothing about it. We are not fit to be in this place if that is our attitude to protecting the people who rely on us for their protection. I say that very strongly, without trying to make a show in front of anybody. I am speaking with a pure and dinky-di heart. I really mean what I say.

It shames me to think that I could associate in this place with people who do not have the courage to stand up and do what needs to be done at a time such as this. We have been given the opportunity to do something. The people out there are crying like hell. They are begging us to do something. What is the pay-off? There must be one. It will show itself in the next few months. There must be a pay-off because no-one in his right senses could sell his soul so cheaply to support people who for too long have stolen motor vehicles from the public.

Perhaps somebody sitting in the Public Gallery tonight will find when he gets home that his car has been stolen. If it is not gone tonight, it may be gone in the next few days. Members of the public rely on the elected members of Parliament to do something to protect them and we are not doing it. This legislation should be thrown out of this place. It is not fit to be brought in at a time like this. Members of Parliament who support it are not fit to ask the electorate to vote them back into office. I oppose the legislation.

**MR COWAN** (Merredin - Leader of the National Party) [10.20 pm]: One of the difficulties with the member for Moore -

**Mr Crane**: There is no difficulty with the member for Moore; he knows exactly where he is going and why he is going there, and he always has.

**Mr COWAN**: One of his difficulties is that he was born about 200 years too late.

**Mr Crane**: It looks as though you are paying the price.

**Mr COWAN**: This legislation enables the courts to make a decision as to whether to send a person to gaol. I suggest that that is the proper place for that decision to be made. Another point needs to be repudiated in relation to the member for Moore's reference to price. I do not believe anybody, least of all the member for Moore, can talk about price, especially when one recalls some of the actions taken by the member for Moore in the past. The member knows what I am talking about as well as anybody does.

In this day and age little benefit is gained from sending people to gaol where they learn how to graduate from stealing cars to other areas of crime. That is the unfortunate consequence of sending people to prison. The National Party accepts the need for the court to have the right to determine whether an offender is given a sentence to serve in one of Her Majesty's prisons or whether that offender cops a fine commensurate with the crime itself. If the National Party wanted to follow the Liberal Party in an exercise in futility, it would oppose this legislation. Nevertheless, it will be passed by this House because we are opposed to the concept of sending people to gaol in a mandatory fashion and we support the concept of the court having responsibility for sending people to gaol or otherwise, or making a decision about a fine. The National Party has said to the Government that quite clearly it is necessary to provide a deterrent to repeat offenders. If the member for Moore had troubled himself to look at the Notice Paper, he would have seen that the National Party has moved to increase substantially the level of fines that the court may impose should it wish to do so.

It may be a very good argument for the member for Moore to stand in this place and to be very emotive to the point at which he was nearly hysterical, and that makes good copy for the Press that likes that type of rubbish. It also makes good copy for the member for Moore's very sanctimonious self esteem; he loves to read such reports and to read them to his mates. The fact of the matter is that the member for Moore was born far too late. Modern society cannot send people to gaol time and time again. We must give the court a discretionary power to determine what should be done in each case before the court. Quite clearly the court is the appropriate body to make a decision with regard to repeat offenders. We shall ensure that in making that decision and having the discretionary power, the court is able to impose a fine that is commensurate with the offence. I do not think anybody can argue against that position; there is no point sending people to prison in order to give them a chance to associate with hardened criminals who will teach them how to be even worse offenders when they are released. There is no advantage in that; but there is advantage in giving the courts a discretionary power. My only concern is that in the exercise of that

power the courts should ensure that those people who have offended against the Road Traffic Act understand completely what we are getting at. Anybody who is reasonable will certainly appreciate what we are attempting to do.

**MR TAYLOR (Kalgoorlie - Minister for Police and Emergency Services) [10.27 pm]:** In reply to the second reading debate I would like to canvass a number of points: The first is in relation to the issue that has just been discussed - mandatory imprisonment. First of all, it is not for me to defend the National Party because the Leader of the National Party has done that very well, but certainly no price was involved with regard to cooperation from the National Party. In fact, the Government has compromised in this issue by removing the mandatory imprisonment provisions. I did not know what the National Party would suggest or what its position would be until late last Thursday afternoon.

With regard to the Road Traffic Act, at the moment the penalty for a first offence can be a fine of from \$200 to \$1 000, or imprisonment for one to three months. For second offences the magistrate or person hearing the charge has no choice; it is mandatory under the Act to impose imprisonment of not less than three months or up to two years. The Bill proposes a penalty in the range from \$400 to \$2 000, a significant increase, or the option of imprisonment for up to two years, or both. The National Party has put forward a proposition - and I am quite prepared to agree to it - that in relation to a first offence the penalty should be a fine of from \$400 to \$2 000, or imprisonment for up to two years, or both. That is a significant major increase in the penalties for first offences. With regard to subsequent offences, I have agreed with the National Party amendment that it could be a fine of not less than \$800 or no more than \$5 000, or imprisonment for up to two years, or both. A rational examination of that situation reveals that the Government has substantially increased the penalties in relation to car theft.

At the same time I also mention that the provisions of section 390A of the Criminal Code require no mandatory imprisonment penalty for car stealing. It is defined as unlawful use and there is a clash.

**Mr Cash:** Are you going to revise that provision in the Criminal Code?

**Mr TAYLOR:** We are continually revising the Criminal Code, which comes under the portfolio of the Attorney General and not the Minister for Police and Emergency Services. But the Criminal Code is a matter under examination continually.

**Mr Cash:** It is no longer mandatory.

**Mr TAYLOR:** There is no mandatory penalty under the Criminal Code for car stealing. Under that code any person who unlawfully uses or takes for the purpose of using or drives or otherwise assumes control of any vehicle defined in the Road Traffic Act without the consent of the owner or the person in charge thereof is guilty of a misdemeanour and is liable to imprisonment with hard labour for a term not exceeding three years. Most of the charges laid in relation to car stealing are laid down in the Road Traffic Act and, as I have said, not only have we substantially increased the penalties in this Bill but I have also agreed with the amendments put forward by the National Party which will lead to major increases in the penalties that now apply. The one difference is that we will be doing away with the mandatory imprisonment term now set down in the Road Traffic Act. I think there are very good reasons for doing that, and those reasons were set out in a very fine fashion by the member for Balcatta last Thursday.

I will give another couple of examples that have come before me, and I am sure before other members of Parliament, in relation to a whole range of acts in our society for which a prison term is mandatory. Let us take someone who steals a car at the age of 17 or 18 years and gets the sort of penalty that the member for Moore does not feel comfortable with. That person may go for a period of 20 years or more and then decide, for some unfathomable reason, to steal a car again; that person will end up in gaol.

**Mr MacKinnon:** That is the exception, not the rule.

**Mr TAYLOR:** That may be the exception.

**Mr MacKinnon:** Have you any examples of that occurring.

**Mr TAYLOR:** The member for Balcatta has and the member for Katanning-Roe gave one the other day, if the Leader of the Opposition had been listening. They might be the

exception, but it is those exceptions that surely should cause the Leader of the Opposition some concern.

Mr MacKinnon: They do not concern me.

Mr TAYLOR: If they do not cause the Leader of the Opposition concern, they should. If he had listened to what I said a while ago, he would have heard me say that a second offence could earn a fine of not less than \$800 and up to \$5 000 compared with a fine of \$200 to \$1 000 as exists at the moment, or imprisonment for up to two years, or both. There is also provision under the Criminal Code for judges to order restitution in relation to motor vehicles that are stolen and burnt out, or which, for whatever reason, are seriously damaged. Some people are not aware of that. People can be charged before the court for taking a vehicle not their own and unlawfully using it, perhaps for some emergency purpose. If for some reason it is decided that they be charged, and they go before a court and are found guilty, no matter what the circumstances in relation to that event, if it is a second offence the person will end up in prison.

From the point of view of a Parliament we should not be saying to the courts in this case, "This is what you will do. You will send that person to prison." I believe it is quite right that we give them the option to impose a substantially increased penalty. It is quite right that we give the option of imprisonment of up to two years in relation to this offence, but I do not believe it is right and, in fact, we would be saying to that court and that judge, "You have no choice in this matter. You will send that person to prison."

I am interested that, in relation to matters associated with driving under suspension, the Liberal Opposition has supported doing away with mandatory imprisonment for driving under suspension for the second time. In that case it is fine. The logic escapes me when the Liberal Opposition says that it does not believe in mandatory imprisonment in that situation but it does in relation to the stealing of a vehicle.

Mr Cash: Perhaps the Minister is not aware that there were 13 000 cars stolen last year.

Mr TAYLOR: I am aware there were 13 000 cars stolen and 11 000 recovered.

Mr Cash: Were there 13 000 cases of driving under suspension?

Mr TAYLOR: There were a number of cases of driving under suspension. I am saying that if the member, like the Leader of the Opposition, believes that we should not be worrying about these exceptional circumstances, then I think that is a totally illogical attitude.

One of the matters raised in the debate was the requirement for people to hold a licence to drive a motor vehicle or passenger vehicle drivers' licence in order to carry a large or reasonable number of passengers in Toyota Coaster type buses. I am told the object of changing this definition is to allow changes to be made to the classification of classes of drivers' licences. Part of this reclassification will be the introduction of a passenger vehicle driver's licence. A substantial number of people have come to me as Minister for Police and Emergency Services and as the member for Kalgoorlie suggesting that this be introduced.

It will be a requirement that in order to lawfully drive a motor vehicle that is either licensed to stand or ply for hire or reward, including an omnibus, or is fitted with seats for more than 12 passengers and which is actually then carrying 13 or more persons, in both cases including the driver, the driver will need to hold a passenger vehicle driver's licence. The effect of the introduction of this new type of licence will be that those persons who currently drive vehicles equipped to carry large numbers of passengers whilst carrying such a number will need to hold a passenger vehicle driver's licence. In order to obtain such a licence, an applicant will, in addition to a written and practical test, need to undergo a medical examination and supply proof of good character. Additionally, the holder of such a licence will be required to undergo medical examinations as prescribed in regulation 44 of the Road Traffic Drivers Licence Regulations each five years until age 45 and each two years between age 45 and 65 and thereafter annually. The types of vehicles that will become subject to the new definition that did not fall within the old ones are school buses and the like that are used to move large numbers of people around.

The proposed amendment is directly related to road safety as it will permit the monitoring of the physical capacity of persons to drive motor vehicles carrying large numbers of passengers. I think the member for Merredin realises the importance of this amendment in



relation to that tragic motor vehicle accident that occurred on the Great Eastern Highway a couple of year ago. The amendment will not prohibit the driving of a large vehicle by a person who does not hold such a licence where the vehicle is not equipped with seating for 13 or more persons or is not actually carrying that number of persons or more. That is the reason for that definition, which was supported strongly by the Traffic Board of Western Australia.

Another matter raised related to the need for urine samples. I am told that this clause relates to the obtaining of urine samples. Under the present legislation, when a person is suspected of driving under the influence of alcohol or drugs or a combination of both, and the person undergoes a breath test the result of which does not reasonably explain his condition, a police officer may require the person to supply either a sample of blood or a sample of urine, or both, for analysis. However, should the person decline to undergo a breath test and instead exercises his right to provide a sample of blood there is no authority in the existing Act upon which the police officer may require the supply of a urine sample. This is a concern as some drugs are not able to be detected in the blood but only in the urine. An example of that, I am told by the police, is cannabis.

I understand the difficulties that police officers face in a situation where they are of the view that a person is driving under the influence of alcohol or drugs and the breath test does not show it as being an alcohol related matter. If there is a choice relating to blood sampling and the person undergoes that and that does not show anything, there is no further choice in relation to urine samples, so this is an important amendment.

The matter raised by the member for Mt Lawley related to number plates. Under current legislation there is nothing that prevents persons manufacturing or distributing number plates that are identical to or sufficiently similar to as to be confused with the number plates issues by the Traffic Board. Instances have occurred in the past where such number plates have been manufactured and there is concern that these could be used for unlawful purposes. This amendment therefore proposes regulations to either prohibit or regulate the manufacture, sale or supply of replica or imitation number plates and similar articles. It is envisaged that the regulations made under this new provision will prohibit the manufacture and distribution of number plates that are sufficiently similar as to be confused with those issued or to be issued by the Traffic Board. That is the reason it is being put forward by the Traffic Board in relation to this matter.

The member for Katanning-Roe talked about community service orders. Although this is not related directly to this Bill, I agree with him that there could be greater use of community service orders rather than imprisonment. However, if we are going to move down that path we have to ensure that those community service orders are properly implemented. I attended a meeting in Bunbury last night where this issue was raised. I intend to take up the matter with the Minister for Community Services and the Attorney General to try to ensure that community service orders are fully implemented, and that when a community service order decision is handed down we do not give people too long to work off the hours that they are required to work off, because that should be done within a reasonable time. For example, rather than require an unemployed person to work out a community service order of, say, 120 hours within six months, such a person should be asked to do so within a period of one or two months; that would be a more effective use of that person's time, especially in relation to community projects. I endorse the Bill and suggest that all the amendments contained in the legislation are worthy of proper consideration by this House. I ask for the support of members on both sides of the House.

Question put and passed.

Bill read a second time.

#### *Committee*

The Chairman of Committees (Mr Burkett) in the Chair; Mr Taylor (Minister for Police and Emergency Services) in charge of the Bill.

Clauses 1 to 4 put and passed.

Clause 5: Section 15 amended -

Mr CASH: During the second reading stage of the Bill, I put a number of questions to the

Minister. I would have thought the Minister would listen, and that he would be able to respond to the matters raised. It is clear from his responses to the speeches made in this House either that he found it convenient to not respond, or he did not have the ability to understand the propositions that were put to him.

There is a provision in this Bill which will allow a vehicle that is drawn by an animal to not be licensed. I asked the Minister where the Government was going to stand in respect of third party insurance. There are a number of companies operating in the south west of the State which hire out carts or wagons that are drawn by animals - usually horses - and in such cases the question of insurance would arise. I also suggested to the Minister that in other cases, such as where a trotting driver was taking home his spider from the racetrack, the spider being drawn by an animal could come into collision with some person or property, and insurance could be claimed. I ask the Minister now if he was able to research the matter and come up with the propositions that were requested of him.

Mr TAYLOR: I was able to find out the answer - despite the rude comments of the member. I did in fact overlook the matter during my speech.

In 1963 the now repealed Traffic Act was amended so as to specifically exempt horse drawn vehicles from the licensing requirement. In 1974, with the passing of the present Road Traffic Act, no such exemption was afforded to vehicles. In fact, it was overlooked when that Act went through. On a strict reading of the Road Traffic Act, the definition of "vehicle" in section 5(1), and the description of "trailer" in section 15(1) in the first schedule, provide that a carriage or other type of vehicle towed by an animal needs to be licensed. However, the policy of the Police Department has been not to require such vehicles to be licensed, as they do not believe any benefit would be acquired.

The intent of this clause is to put beyond doubt that vehicles drawn by animals do not need to be licensed while they are so drawn, and that such vehicles remain subject to part 20 of the vehicle standards regulation relating to lighting, dimensions, loading and brakes, and also to the provisions of the road traffic code relating to vehicles.

In relation to the matter raised of a car coming into collision with a trotting trainer and his spider, the occupant of that car would be covered by third party insurance. In relation to the trotting driver and his spider being on the road, they should not be on a road.

Gypsy wagons in the south west must have insurance because they are not covered by third party insurance. However, any person driving a motor vehicle colliding with such a wagon would be covered in the event of injury.

Mr CASH: I thank the Minister for his explanation. While I understand that that may be the situation in respect of the Road Traffic Act, if it is that the gypsy wagons in the south west are meant to carry their own insurance, it would seem that is an unsatisfactory situation, because it may be that for one reason or another the insurance believed to be in force for a gypsy wagon has lapsed, and the situation could occur where the driver of a gypsy wagon could cause an injury to a person, whether in a car or perhaps walking on the road.

Mr Taylor: That point is worthy of consideration. I did raise it with the Police Department, and that is the advice I was given. I will raise this matter again with the department between now and this Bill going to the Legislative Council. I will also raise the matter with the Crown Law Department and the Motor Vehicle Insurance Trust, and ask them for their opinion.

Mr CASH: Irrespective of whether something is lawfully on a road, that does not necessarily mean that insurance cannot be paid in respect of an accident. For instance, if a licensed vehicle were on a road unlawfully and was involved in an accident with a person or with property, there is a right to claim under the Motor Vehicle (Third Party Insurance) Act. The idea of the Act coming into force was to protect people who might be injured by motor vehicles, whether those motor vehicles were used legally or illegally. It is fine for the Minister to say he is going to speak to the Police Department, but that is not going to address the question of whether vehicles that are drawn by animals should be covered by insurance and whether just relying on an obligation -

Mr Taylor: They have not been licensed.

Mr CASH: I was not talking about licensed vehicles. I will point out the anomaly which

exists, and I urge the Minister to do more than just have a look at it because we are facing a serious situation.

Mr Taylor: It obviously has not arisen since 1974.

Mr CASH: If the Minister wants to punt with people's futures, that is his business. I am raising the point because the matter is now before the House, and I suggest to the Minister that if someone is injured tonight by a motor vehicle he may claim under third party insurance. He may have injuries, and as such be eligible for damages of, say, \$700 000 - a considerable amount of money.

While the Minister argues that vehicles drawn by animals do not appear to have been involved in any accidents to date, the situation could occur where someone is run down or badly injured by a vehicle drawn by an animal. I am trying to make the point as forcibly as I can, because it urgently needs addressing. If damages of \$700 000 are awarded against the owner or operator of a vehicle drawn by an animal, and if no insurance is in force, we will have a very difficult situation. Someone could lose his house and other worldly possessions just to make some sort of contribution towards damages which might be awarded.

Mr Taylor: I have just been told by the former Attorney General that the Act deals with motor vehicles, not horses.

Mr CASH: What is that meant to mean? I have just gone through it.

Mr Taylor: What I am saying is that right through the Road Traffic Act, when that was in force, and in relation to this Bill, these vehicles have not been licensed. I do not know whether you have raised any matter which is any different, but there have been no problems up until now.

Mr CASH: Up until now there may have been no problems, but now we have identified a problem, and I urge the Minister to do something about it. If he wants to claim it is not part of his portfolio -

Mr Taylor: I have not said that; do not put words in my mouth.

Mr CASH: Now that the matter has been drawn to the Minister's attention there is an obligation on him to take the matter forward. I do not want the situation where someone is injured, and as a result someone else might be put in a position where he loses his house because we in this Parliament have not acted in a responsible manner.

Clause put and passed.

Clauses 6 to 10 put and passed.

Clause 11: Section 55 amended -

Mr CASH: This clause is aimed at the value of damage caused in an accident being increased from \$300 to \$1 000 before a report need be made. During the second reading debate I made the point that it was my understanding, based on discussions with police officers attached to the traffic branch, that due to the pressure they were under, not only in regard to manpower but also resources, they found some difficulty in attending reported accidents, even up to an amount of \$2 000. The Minister did not seem to believe that that was possible. I made the point that not only had the police officers suggested that they could not service accidents where there were reports of damage up to \$2 000, but also at times they could not service accidents involving damage up to \$3 000.

Has the Minister had an opportunity to check with the traffic branch to see whether he can assist in respect of the pressure the police officers are under, or does he accept that some accidents cannot be attended due to lack of resources and manpower?

Mr TAYLOR: I raised the matter with the officer in charge of the traffic branch. He, like I, treated the comments the member for Mt Lawley suggested he received from the traffic branch with the contempt they deserved. In fact, he made it quite clear to me that, as far as the traffic branch was concerned, it has adequate resources. Like any other section of Government, and in fact the Police Force, it would like to have more. In fact, under this Government it has substantially more, and substantially improved facilities and machinery from the point of view of performing its duties under the Road Traffic Act. The traffic branch is quite happy that in 1980 this amount was increased from \$100 to \$300, and the

increase to \$1 000 is in keeping with inflation and what is happening in our society. It is also pointed out that there is no lessening of responsibility to report accidents where people are injured. That is something which must still be reported.

I have also talked to a number of panel beaters over the last week or so - in fact last Thursday - to get some idea of the cost of repairing vehicles involved in accidents. Panel beaters are of the view that \$1 000 is a fair and reasonable figure because it takes only a small accident to cause damage in the vicinity of \$1 000.

Mr House: Especially if the insurance company is paying for it.

Mr TAYLOR: That makes a big difference. The other day I was in a panel beater's workshop, and he was repairing a more expensive car, a Mercedes. The front grille was made of moulded plastic, and that was worth \$1 400. That car had had a very small dent in the front which meant a few little repairs, including a new headlight, a new grille and a couple of other bits and pieces. The repair bill was \$3 000. Even with an ordinary car like a Commodore, \$1 000 does not go very far.

Clause put and passed.

Clause 12: Section 66 amended -

Mr HOUSE: I would like the Minister to clarify the taking of urine samples from people who may be forced to provide them. As I understand the Bill, the only time a person will be forced to provide a urine sample will be under the supervision of a doctor. I want the Minister to clarify the point that a doctor will have to be present when that urine sample is given.

Mr TAYLOR: Paragraph (e) empowers a police officer to require the provision of a sample when the subject has been required to supply a blood sample and that person has failed or refused to nominate a medical practitioner to take the blood sample, or has nominated a medical practitioner who is not available. My understanding is that a doctor would have to be available. I would have to check that because I do not have that detail, but that is my understanding. It would be the same as taking a blood sample. A doctor has to take a blood sample, and the same would apply to urine samples, because that is related to the same matter. We need a urine sample where a person has refused to give a blood sample, or the blood sample has not shown up what the police suspect may be wrong.

Mr HOUSE: I would like the Minister to check that before this Bill goes to another place so that we can be clear about that. A situation could arise in the country where there are no police officers and a female is required to give a urine sample. I am sure nobody would want to be put in that position.

Often in country areas a person suspected of drunken driving may be apprehended and taken some distance to a medical practitioner. There is no requirement on the police to return that person to the vehicle. If the police could transport that person 50 odd miles to have a blood sample taken - as they can; and now supposedly a urine sample - surely they should transport the person back to where he left his vehicle, provided he passed the test and was judged capable of driving.

Mr CASH: Not only does the Bill in its present form appear to suggest that a police officer can require someone to produce a urine sample, but also it does not talk, as in the case of the blood sample, of the medical practitioner taking the sample. In the case of a urine sample the person must produce it; it does not talk about any special conditions under which the urine sample must be produced and I can imagine that that could create very special circumstances much later when a prosecution was launched and could perhaps cause problems for the Police Force. This question should be examined.

Mr Taylor: What is the question?

Mr CASH: In respect of a blood sample the medical practitioner takes the sample, so one assumes he takes it in hygienic circumstances and that other things are associated with it. The obligation is on the practitioner. In respect of the urine sample the person is required to produce it. It is not taken from him; he must produce it - which is not unreasonable, I might say.

Now that the member for Katanning-Roe has raised that other matter, it may be that the

Minister would care to look at just how wide that situation is. I am suggesting that if there is only the obligation to produce the urine sample there may be an opportunity to produce an adulterated sample. In view of the comments that have been made the provision now appears to be very wide and it is probably worth looking at. I have said before that the Liberal Party is prepared to accept an extension of section 66 whereby a person is required to produce a urine sample under certain circumstances, and those circumstances are set out clearly in the Bill, on the understanding that we are in the business of assisting the Police Force in the execution of its duty. We have said before that we will have no truck with any driver who drives with too much alcohol or with any drugs in his body. While we have discussed within our party the civil rights that may be disturbed by this provision of the Bill, on balance we accept that drivers have certain obligations; if it is to extend to urine samples, we support that.

Mr TAYLOR: I understand the point made by the member for Mt Lawley and I could imagine that under some circumstances the requirement for someone to provide a urine sample and actually getting such a sample could be two very different things.

In relation to adulteration, certainly so far as blood samples are concerned some very strict procedures apply, and my understanding is that those same procedures would apply to the handling of urine samples. It is my understanding, even from the Bill, that a medical practitioner would be required to take not only the blood sample but also the urine sample for analysis. If the situation is any different from that I will certainly let the Minister who handles the Bill in another place know.

Clause put and passed.

Clauses 13 to 16 put and passed.

Clause 17: Section 111 amended and validation -

Mr CASH: This clause deals with the intention to prohibit the manufacture, sale or supply of replicas or imitations of number plates or articles similar to number plates. I ask the Minister why the Government considers it necessary to prohibit these number plates. Replica number plates have been used for decorative purposes in houses and certainly in motor vehicle garages for many years and I am somewhat at a loss to understand why the Government would want to enact this provision.

Mr TAYLOR: I mentioned this in my second reading speech. The Traffic Board and the police are concerned that people may manufacture number plates that could be used for unlawful purposes. In other words, if someone wants to rob a bank, if they made up a number plate for that purpose that was not a proper number plate it could be quite misleading. In addition, it is proposed that regulations be made to either prohibit or regulate the manufacture, sale or supply of replica number plates or imitation number plates and similar articles. I would try to ensure that in the making of those regulations any matters that really are quite obviously for lawful purposes are, if possible, covered by those regulations. I have foreseen, as other members may have, that perhaps dealers may put on vehicles of an older type in showrooms number plates saying "Porsche" or "Mercedes-Benz 1904", or whatever, to identify exactly what the vehicle is. Under the regulations, even though we will try to prevent the manufacture of number plates for unlawful purposes, we will also try to ensure that no confusion exists in relation to people who may want to use those number plates for lawful purposes.

Clause put and passed.

Clauses 18 and 19 put and passed.

Clause 20: Section 49 amended -

Mr HOUSE: I move --

Page 12, line 20 - To delete "\$200" and substitute the following -  
\$500

Page 12, line 21 - To delete "\$1 000" and substitute the following -  
\$2 000

The current Road Traffic Act's penalties for this offence are, for a first offence, \$100 and for

any subsequent offence \$200 or imprisonment for three months. The Bill sought to amend that legislation to increase the fine for the first offence to not less than \$100 nor more than \$750; and for subsequent offences to not less than \$200 nor more than \$1 000. My amendments, which the Minister has indicated the Government will accept, increase those penalties over and above those proposed by the Government to allow for a \$500 fine for a first offence and a fine of up to \$2 000 for subsequent offences. The National Party has proposed that these penalties be increased substantially because it is our opinion that far too many offences of this sort are being committed in the community.

It is the National Party's intention that people who commit these offences see that the Parliament treats them very seriously and that we have increased the penalties in line with the feelings of the people in order to make sure that those offenders, when brought before the courts, are dealt with in a more substantial way. In this instance, we will be allowing the court far more discretion when imposing substantial fines. There is still the availability of the court to impose a prison sentence if the court feels that the offence is serious enough. I will refer quickly to a case which occurred in my electorate recently, which illustrates the point I made in respect of mandatory prison sentences.

It was a case of driving under the influence of alcohol, which is found under section 106 of the Road Traffic Act. That section has not been amended in this instance, but the Minister indicated that he was prepared to look at it because of the point I made. In respect of the case to which I referred, a person who had been apprehended twice for driving under the influence when he was in his teens, and paid the penalty of the law at that stage, was apprehended approximately 20 years later for committing the same offence. By that time the person had three children he was looking after alone because his wife had deserted him, and he was picked up for the third time on an offence of driving under the influence. The court had no option but to imprison him because the law now says there is a mandatory gaol sentence for a third offence of driving under the influence. Had the court had the option, it would never have sentenced a man to prison for an offence which occurred 20 years after the first two offences were committed, when he was a very young person.

I believe that man should never have been sent to gaol. It had a terrible effect on his children and upon him personally. That is one of the reasons I support the changes to this particular section. I am pleased the Government has accepted the National Party's proposal to increase substantially the proposed penalties which may be implemented by the courts.

Mr TAYLOR: I indicate at this juncture that the Government intends to accept all amendments on the Notice Paper moved by the member for Katanning-Roe.

Mr CASH: The Liberal Party is prepared to accept the amendments moved by the National Party. In supporting this amendment, we recognise that the National Party, in its amendments, is suggesting that the penalty provided by the Government is not sufficient. The Liberal Party accepts that.

However, it is important to distinguish between sections 49 and 89 of the Road Traffic Act. While it may be convenient for this Chamber to accept that it is not in everyone's interests to gaol people for an offence of driving without an appropriate driver's licence, in respect of section 89 - which deals with the unauthorised use of motor vehicles - last year 13 012 motor vehicles were reported as stolen in this State. If I believed 13 000 offences were committed in respect of people driving while under suspension or while their licences were cancelled, the Liberal Party might not accept a change in the mandatory gaol term. However, I do not believe it is as prevalent as the unauthorised use of motor vehicles, and therefore we are prepared to accept the change which gives the courts discretion.

However, I make a valid point which has been made to me on numerous occasions at various meetings I have addressed on law and order throughout the State: There is a general perception within the community that the courts themselves do not appear to be handing down sentences which adequately reflect community standards. It is all right for us to say, "Well, the penalties are in the Act, and there is no need to make them any harsher" if the courts themselves are not already exercising the penalties set down in the Act. As the member for Moore asked, what are we going to do? Smack them on the front or the back of the hand, or are we going to get dinkum and through the sentencing patterns of our courts state to people who breach the law on a multiple basis that the community generally is not prepared to put up with that behaviour?

While it may not be fashionable sometimes, it is argued it is not even proper for a member of Parliament to criticise the judiciary. I want my comments tonight to be understood as not being critical of the judiciary but as a reflection of the comments of people from around this State who on many occasions have shown they are not satisfied with the way in which the courts are imposing their sentences. The community is calling on the courts to recognise current community standards.

It is necessary to distinguish between section 49, which relates to offences of driving motor vehicles without an appropriate driver's licence - and for which the Liberal Party believes that a fine and/or a gaol sentence is an appropriate penalty that can be passed at the discretion of the courts - and section 89. The Liberal Party will not resile from the fact that the community believes that for second and subsequent offences there needs to be a mandatory gaol term. That has been stated to members of the Liberal Party as they move around the State.

I support the comments made by the member for Moore insomuch as, given the comments made at the recent Wannamal meeting, I am surprised at the National Party's stand. However, I hasten to say to the Leader of the National Party that it is the National Party's right as a political party, but I do not believe it necessarily reflects the current community standards in respect of the unauthorised use of motor vehicles. We are not dealing with section 89 of the principal Act at the moment and I will continue my remarks when we get to clause 23.

**Amendments put and passed.**

**Clause, as amended, put and passed.**

**Clause 21: Section 54 amended -**

**Mr HOUSE:** The principles involved in the increased penalties are the same as those in the previous clause. Once again the Government has accepted the National Party amendments. This clause relates to increased penalties for accidents where damage is caused to a person, and where people fail to stop after an accident.

**I move -**

Page 12, line 29 - To insert after the word "impose" the following -  
an additional fine of not more than \$1 250 or

Page 12, line 30 - To insert after "months" the following -  
, or both the fine and the imprisonment

Page 13, line 5 - To insert after the word "impose" the following -  
an additional fine of not more than \$1 250 or

Page 13, line 6 - To insert after "months" the following -  
, or both the fine and the imprisonment

**Amendments put and passed.**

**Clause, as amended, put and passed.**

**Clause 22 put and passed.**

**Clause 23: Section 89 amended -**

**Mr HOUSE:** This clause relates to the unauthorised use of motor vehicles and has created a substantial amount of debate both during the second reading stage and the present stage of the Bill. The proposed increased penalties reflect the community's attitude to the problem. I thank the Minister for accepting the National Party amendments as it is important that the courts have the power to impose the increased penalties. The courts retain the power to impose prison sentences if necessary.

**Mr Taylor:** And for a greater period.

**Mr HOUSE:** That is important too. I cannot see how any member could oppose this clause because to do that would deny the courts the right to increase penalties and fines or to increase gaol sentences. The courts do that now but this has proved to be insufficient. Perhaps commonsense will prevail and members will support the amendments because these provisions reflect community attitudes and views.

Mr CASH: Obviously section 89 of the Act is causing some contention tonight. I accept that the National Party believes its amendments are appropriate. I reiterate that the Liberal Party considers that the current penalties are adequate and enable a court to impose a proper sentence for a second or subsequent convictions for car thefts; that is, imprisonment for not less than three months nor more than two years.

The Minister's provisions in the Bill were not accepted and he has indicated he will accept the National Party amendments. All the bluster in the world will not change my view on an adequate penalty for the unauthorised use of vehicles. I understand that the argument put by the member for Katanning Roe in support of his amendment is that discretion is now available to courts to gaol someone if the courts believe that is an appropriate sentence. I say that experience has shown that we cannot necessarily always rely on the courts to reflect current community attitudes. Last year 13 000 cars were stolen in Western Australia with a capital value of almost \$60 million. The people who lost those cars are entitled to adequate protection.

I will read some of the comments made about appropriate changes to section 89 sent to various people last year, showing the confusion which exists on the Government side about adequate penalties for the unauthorised use of motor vehicles.

Mr Bertram: Is the member distinguishing between the unauthorised use of a motor vehicle and stealing, or are they included in the total figure?

Mr CASH: The figures given were of reported offences. The police were referring to stolen vehicles, but that is not necessarily the charge that was laid. The charge could have been either unauthorised use of a motor vehicle or stealing.

The first letter I refer to was written by the then Minister for Police and Emergency Services on 19 October 1987 to a person who was interested in the Minister's earlier comments about anti theft devices and car safety in general. The letter stated, in part -

The Criminal Code provides for an offence of "car stealing" and the Road Traffic Act provides for offences of "Unlawful use of a motor vehicle" and "Unlawfully interfering with the mechanism of a motor vehicle". In my opinion the offences and penalties provided are adequate. However on the matter of penalty, that is for the Court to decide after considering all the circumstances of the case.

The facts are that on 19 October 1987 the then Minister for Police and Emergency Services, in a letter in reply to a question from a member of the public, said he believed the penalties for the offences were adequate. On 23 October 1987 an article headed, "Joy-riders in for legal blow", was published in *The West Australian*. It was only a few days after the Minister said that he believed that the penalties were adequate.

Mr Gordon Hill: What date was that?

Mr CASH: The Minister's letter was dated 19 October 1987 and on 23 October 1987 the article to which I have referred was published in the newspaper. It states -

The State Government wants to get tough with people taking cars for joy rides.

Joy-riders should be charged under the criminal code, not the Road Traffic Act, the Minister for Police, Mr Hill, said yesterday.

"The current laws regarding the unlawful use of motor vehicles are not acceptable to the State Government or the public," he said.

Further on he talks about the inadequacies of the current penalties and the article stated -

Mr Hill said offenders understood and took advantage of the system.

Four days later the Minister said in a Press article that the police should be charging offenders under the Criminal Code. I asked the current Minister for Police and Emergency Services if he agrees with that proposition.

Mr Gordon Hill: I think you should check to see if I am quoted as saying that.

Mr CASH: One of the reasons I am asking the current Minister whether he agreed with the previous Minister was that he referred to the Criminal Code and tried to suggest there was no term of imprisonment for offenders in respect to the stealing of cars.



Mr Taylor: I said there was not a mandatory gaol term. Don't put words into my mouth.

Mr CASH: I do not have to, I only have to read what the Minister said. He said that section 378 of the Criminal Code deals with punishment for stealing and that any person who steals anything capable of being stolen is guilty of a crime and is liable, if no other punishment is levelled, to imprisonment with hard labour for three years.

Mr Taylor: It says he is liable to imprisonment with hard labour.

Mr CASH: The proposition put to the Chamber last year by the member for Floreat clearly explained that we proposed to amend the Road Traffic Act, not the Criminal Code. I suggest the Minister has been caught out again. On 24 October, one day after the previous Minister made a Press release, the editorial in *The West Australian* was headed, "Stop thief" and stated -

The moves to make joy riding a criminal offence and to make car thieves liable for the damage they do are overdue, but welcome.

Members of the Government will recall that in respect of compensation for damage done to stolen cars, the Opposition supported the Government. Again on 24 October there was another article in *The West Australian* in which it suggested the following under the heading, "RAC backs line on joy-riders" -

The RAC said yesterday it applauded State Government moves to get tough with people taking cars for joy rides.

The Minister for Police, Mr Hill, said he wanted joy-riders charged under the criminal code rather than the Road Traffic Act.

"This is exactly what we had been advocating for many years so that courts can impose greater penalties, including orders to compensate owners," RAC chief executive David West said.

Further on it states -

"Moves to change the law so that joy-riders are charged with stealing are long overdue and will be welcomed by the public as a major attack on rising car theft," Mr West said.

On 26 October, under the headline, "Call for action on joy-riders", in *The West Australian* the Citizens Against Crime Association questioned the Government's intention to get tough on car thieves. The article stated -

Mr Taylor said the judiciary should not get the blame for letting car thieves off lightly.

Further on it continues -

The Minister for Police, Mr Hill, said this week that joy-riders should be charged under the Criminal Code, not the Road Traffic Act.

The point I am making is that on four separate occasions -

Several members interjected.

Mr CASH: The reason I want members to hear the various Press articles is that one can see from them a shift in play by the Government.

In late 1987 the then Minister for Police and Emergency Services claimed he intended to toughen up on penalties. However when the Bill came into this Chamber he did not do that. He backed off at 100 miles an hour. The Government is softening its stand in respect of car theft. In the *Daily News* on 5 February this year there was a headline, "Police blast on stolen cars", and it stated -

A top-ranking police officer has fired a blast at the courts, the public and car manufacturers over the soaring stolen car rate.

"We are sick and bloody tired of the number of stolen cars we have to look into," said acting Deputy Commissioner for Operations Max Marshall.

Further on it states -

Mr Marshall urged the courts to get tough on those responsible.

"The penalties are there, but they are not being used," he said.

Mr Crane: They will not be used in future either.

Mr CASH: I appreciate the comment from the member for Moore because he is dead right.

In *The West Australian* on 12 May, under the headline, "Rise in crimes, says US study," it states -

Australians are stealing cars at a faster rate than Americans.

Yet we have a Government which wants to change the laws in respect of penalties for car theft, but in fact it has lessened the penalty because, for a second and subsequent conviction, an offender is sentenced to three months' gaol. It is clearly written in the Act. What this Minister wants is for people to be fined only if that is the wish of the court. I acknowledge that the court can gaol the offender if it so desires, but there is no question that there is a lessening of the penalty. Nothing will get the Minister off that hook.

Mr House: What is the lessening of the penalty?

Mr CASH: At the moment, if a person is charged for a second time for car stealing he is liable to three months imprisonment. I am suggesting that the proposition before the House could allow an offender to be fined in a second or subsequent offence.

Mr Gordon Hill: It is up to the judge to decide.

Mr CASH: Of course it is up to the judge to decide, but I do not think it will reflect the will of the public if this Chamber agrees to that.

Mr Gordon Hill: That is a reflection on the courts.

Mr Taylor: You said you did not want to reflect on the courts, but you have done that.

Mr CASH: If I listened to everything the current Minister for Police and Emergency Services said, I would be more confused than is the previous Minister for Police and Emergency Services. The other day I asked the Minister for Police and Emergency Services to provide me with details of various offences to the end of May this year. One of the offences was motor vehicle theft and the others were robbery, arson, breaking and entering, stealing, fraud and drugs. Although the Police Force prepared an answer for the Minister by pressing a button to get the figures out of a computer, the answer that I received from the Minister suggested that it would take too much time and too many police resources to provide the answer. The Minister for Police and Emergency Services was afraid to bring into the House the statistics with respect to crime in this State. The crime figures are way up and that is why he refused to bring them into the House.

Mr COWAN: The member for Mt Lawley referred to one thing of importance in this debate, namely, the level of car stealing in today's society. It is important to consider the rate at which it has risen and the number of proven cases against those people who have offended. I am sure that the member for Mt Lawley would agree that the incidence of car theft is rising too rapidly and that the number of reported convictions is far too low in relation to the number of thefts.

Mr Cash: Yes, it went up by 30 per cent last year.

Mr COWAN: That 30 per cent increase occurred despite the existing penalties. The thrust of the Liberal Party's argument was that we need a mandatory sentence to serve as a deterrent, to make it very clear that society will not stand for vehicle theft, and that anybody who is caught will pay the price, particularly if they are second or subsequent offenders. Quite clearly that has not worked. We still have the most rapidly increasing rate of vehicle theft we have ever had. We have one of the lowest records of convictions, notwithstanding the fact that a gaol sentence is mandatory for a second or subsequent offence. Thus there has been no deterrent effect whatsoever. That is very important. Quite clearly, the Liberal Party must be reflecting on the ability of the courts to determine an appropriate sentence. Is that what the member for Mt Lawley is saying?

Mr Parker: The member for Mt Lawley was saying that.

Mr Pearce: He said you can't trust the courts; that's what he said.

Mr COWAN: Clearly a three month gaol sentence for a person who has offended for a

second or subsequent time has not been a deterrent. It has not had the desired effect on potential offenders because we have seen the evidence of that: The number of thefts is rising at the most rapid rate ever, yet the number of convictions is the lowest it has ever been. Perhaps if we could get a higher number of convictions it might have the effect of serving as a deterrent.

Let us consider the alternative. The alternative put forward by the Government is that a discretion should be granted to the court to impose a fine between \$400 and \$2 000 or imprisonment for a maximum term of two years. We do not argue with the discretionary powers, but we feel that the penalties are insufficient. We think there needs to be some deterrent factor. We are not sure that it works because the record indicates that it does not; nevertheless we are prepared to acknowledge that, as the Liberal Party has stated, there needs to be some deterrent. Therefore we have advocated the retention of the discretionary power, but have favoured an extremely stiff penalty. We have suggested the doubling of the financial penalty that would apply to a first offender while still giving the court the discretion to impose a sentence of up to two years. Anybody who says that is being soft either cannot read or has a total lack of understanding. I ask the Committee to support the amendment moved by my colleague, the member for Katanning-Roe.

Mr CRANE: I cannot support the amendment and I cannot agree with many of the arguments that have been put forward tonight. We are charged with the responsibility of bringing forward the concerns of people in our electorates. They cannot come in here and do it for themselves; they ask us to do it for them. Over the last few months, or perhaps the last couple of years, many of us have been given a clear indication that our constituents do not have any faith in the penalties imposed by the courts.

Questions have been raised tonight with respect to any confidence we may have in the courts. The people have indicated that they have lost confidence in the courts' ability to impose penalties, yet the National Party's amendment seeks to withdraw the mandatory imprisonment provisions of the legislation in the face of pleas from people throughout Western Australia that penalties be increased.

Mr Cowan: They are being increased.

Mr CRANE: There is nothing wrong with increasing the financial penalties. The best solution would probably have been an increase in the financial penalties plus mandatory imprisonment. The people will not accept this amendment. They have no confidence in the judiciary any more.

Mr Parker: What's your position?

Mr CRANE: What I think is obviously not very important, but as the Minister has asked me a direct question, I will give him a straight answer. I also have no confidence in the penalties imposed by the courts in most cases. I have the guts to give the Minister the answer he asked for.

Mr Pearce: In which judges don't you have confidence?

Mr CRANE: I am not talking about judges; I am talking about the courts. Many judges in the courts have the courage.

Mr Pearce: Which ones don't?

Mr CRANE: We are not here tonight to discuss individual judges. The Minister should not try to drag a red herring across the trail. We are here to talk about the courts generally. The feeling of the people in the community is that the courts do not have the courage to impose the penalties which they are being asked to impose. That is why I ask whether we will now slap offenders on the hand.

Mr Pearce: Which judges do that?

Mr CRANE: We are not talking about judges, we are talking about courts. If the cap fits, wear it. The same applies to any of the judges. They can read what I have said tonight and if they do not like it they can lump it. I am conveying to this Committee the sentiments I have been asked to convey by the people of Western Australia. If I did not do so, I would not be doing what I have been elected to do. The amendments put forward in this place tonight will further erode the desires of the people for prison sentences in the case of second and subsequent offences for motor vehicle thefts. How many judges will imprison those

offenders? We can only ask them to stand on their record and their record sadly is not good. Therefore, I cannot support this amendment for the reasons I have stated. The people in the electorate will be very concerned.

I am very sad tonight because I know what it feels like to be deserted on the battle field; I have been deserted by a few people who a few weeks ago said they would fight in this place to see that people are protected. They remind me of Lord Haw Haw who said that England would fight to the last Frenchman. The National Party will fight to the last Liberal - that is about as far as it will fight. I oppose this amendment and I repeat that the people are not satisfied that the courts are determined enough in the punishments meted out. It is up to somebody to let it be known; I do not expect the newspapers to publish anything about that, they seem to have all gone to sleep anyway, so I shall not have to answer to the judges.

Mr Pearce: You remind me of something said by John Paul Jones who said that is what -

Mr CRANE: John Paul Jones said, "I have not yet begun to fight." Is that not right? The Minister should not quote those sorts of things from history; I have done a fair bit of it myself.

I do not accept this amendment on behalf of all those people who have asked me to represent them in this place.

Mr HOUSE: I move -

Page 13, line 14 - To insert after "Penalty:" the following -  
for a first offence

Amendment put and passed.

Mr HOUSE: I move an amendment -

Page 13, line 16 - To insert after "imprisonment" the following -

; and for any subsequent offence, a fine of not less than \$800 or more than \$5 000 or imprisonment for a term not exceeding 2 years, or both the fine and the imprisonment.

Mr TAYLOR: I point out to members, particularly the member for Moore and the member for Mt Lawley who said that he believed that the current penalties are adequate, that the current penalties in relation to a first offence are \$200 to \$1 000 or imprisonment for one to three months; and for a second offence imprisonment for not less than three months or up to two years. By agreeing to this amendment the Government now proposes that the penalty for second offences shall be a fine of not less than \$800 or more than \$5 000 or imprisonment for up to two years or both. If that is not a substantial increase in the penalties, what is?

Mr TRENORDEN: I am very disturbed about this debate in which I did not intend to become involved because it is not a very important issue. I went to the trouble of attending three meetings which were attended by the Liberal Party spokesman on law order, and one of which the member for Moore attended. I was obviously at a different public meeting from the one attended by the member for Moore. I will not get involved in debate with the member for Moore because we are both members of a certain committee and I think the activities of that committee are more private than he chooses to make them. That is bitterly disappointing. He also accused me of selling out to some other greater cause and I will be interested to hear what the price was.

No matter how emotional one gets on this issue, 60 per cent of car thefts are carried out by juveniles. In a few weeks time we shall debate the Children's Court of Western Australia Bill and I will have a lot to say on that subject when it is more appropriate. It is a substantial area of concern and in that regard the members for Moore and Mt Lawley are correct. The general community is sick and tired of the current level of car thefts; but it will not make one iota of difference whether or not the courts impose a mandatory sentence or have the ability to decide between a fine or prison sentence. I am sick and tired of the claptrap we have heard tonight. Five years ago in the rural areas a person could walk away from his car, leave the keys in the ignition, and there was a fair chance of the car still being there on his return some time later. In 1988 people lock up their cars and yet when they leave them for a few minutes, they come back to find the car has vanished. A few weeks ago I was driving a car for a bridal party at which the best man was a policeman. At one stage he asked me to stop the car because he had locked his Commodore with the keys in the vehicle and he had to be

on duty in Perth immediately after the wedding at El Caballo Blanco. I drove him to the car and he pushed in the rear vision window - if it took him three seconds, I should be surprised. That is part of the problem - the police know what it is all about. It was pretty hard to understand a policeman doing that to his own car, but he said that his problem was that he had bought that type of car. People have been locking their cars outside of functions in my electorate and in the electorate of the member for Moore only to come out and find that their cars are gone. In 60 per cent of cases they are taken by a juvenile. Those cases will be dealt with by the appropriate court. The people who take cars who are not juveniles will be a lot harder nuts to crack.

Mr Parker: Like those in the electorate of the member for East Melville.

Mr TRENORDEN: I could talk about some of the nuts putting a silicon plant in Picton, but I will not talk about nuts. Cars are too easy to take and if we are to bite into this problem we need to do so where it is most easily addressed, and that is in the juvenile area. That is the greatest concern of the people to whom I have spoken because there seems to be a total lack of respect for the law on the part of juveniles who steal cars. In fact, they steal cars and look for policemen to chase them because it is part of the fun. I heard of an exercise a few days ago where some juveniles stole a car, got the police to chase them, and had the fun of losing the police only to have the car break down, so they rang the police to come and get them because they were stranded. The police went and got them and they caught a taxi home after they had been charged. That is how much regard offending juveniles of this State have for the law and our courts.

Mr Cowan: And they are not dealt with under this Act.

Mr TRENORDEN: They are not dealt with under this Act. I was not going to give a dissertation on this matter, because this clause does not matter. This is not where the crunch is; that will come when we start talking about juvenile crime and that is when I will have my lot to say. I am disappointed that the efforts of certain good people in the community have been slandered tonight.

Mr HOUSE: As the mover of these amendments, I listened to the comments made about them with a great deal of interest. I cannot understand how anybody could misrepresent the increased penalties in the clause of this Bill. There is no way that anybody could interpret those penalties as being less than they were before; they are substantially increased. The ability to impose a prison sentence remains. It remains with the court to make that decision. Try as some people in this place might, they can never misrepresent the fact that this clause represents substantially increased penalties for car theft.

Mr CASH: I would like to respond to the comments of the member for Katanning-Roe. They are his comments, and he is certainly entitled to them. I do not share the view that he has put to this committee. I suggest that the public will interpret the amendments before the committee as being a lesser penalty than exists in the present Act. There is little served by the Liberal Party and the National Party arguing over this.

Mr Cowan: Explain why it is less.

Mr Pearce: Just apologise and sit down.

Mr CASH: The Minister who just interjected told me before to take as long as I liked, and I intend to do that. In answer to the Leader of the National Party, the proposition is that first there is a fine and/or a prison sentence.

Mr Cowan: Or both.

Mr CASH: Yes, or both. The current situation is for a second or subsequent conviction for unauthorised use there is a mandatory prison term of three months. Under this proposition it will be possible to be fined only. I suggest that that is a lesser penalty than a mandatory prison sentence.

Mr Troy: It is only one option.

Mr CASH: Of course it is only one option, but I was asked to suggest how it could be a lesser penalty.

Mr House: Do you intend to introduce other legislation that will take away the jurisdiction and ability of the courts to make decisions based on the facts before them and to have those decisions made in this Parliament?

Mr CASH: I hope that that is not necessary, but in respect of unauthorised use of cars, I believe the community is screaming out for an appropriate penalty. The member believes that his amendment is the appropriate penalty, and that is fine. I cannot share that view with him and, as far as the Liberal Party is concerned, we will stick with the existing provisions, which provide for a mandatory prison term for a second or subsequent conviction with respect to the stealing of cars. I say that when the proposition is put to public meetings around the State, the people, especially those who have had their cars stolen, will support the view that we have put, although at that stage it may be that the lesser penalties are, in fact, in place.

**Amendment put and passed.**

**Clause, as amended, put and a division taken with the following result -**

**Ayes (29)**

Dr Alexander	Mr Evans	Mr Ripper	Mrs Watkins
Mrs Beggs	Dr Gallop	Mr Schell	Dr Watson
Mr Bertram	Mrs Henderson	Mr D.L. Smith	Mr Wiese
Mr Carr	Mr Gordon Hill	Mr P.J. Smith	Mr Wilson
Mr Cowan	Mr House	Mr Taylor	Mrs Buchanan ( <i>Teller</i> )
Mr Cunningham	Mr Marlborough	Mr Thomas	
Mr Donovan	Mr Parker	Mr Trenorden	
Mr Peter Dowding	Mr Pearce	Mr Troy	

**Noes (13)**

Mr Blaikie	Mr Crane	Mr Lightfoot	Mr Maslen ( <i>Teller</i> )
Mr Cash	Mr Greig	Mr MacKinnon	
Mr Clarko	Mr Hassell	Mr Fred Tubby	
Mr Court	Mr Lewis	Mr Reg Tubby	

**Pairs**

Ayes	Noes
Mr Read	Mr Thompson
Mr Grill	Mr Bradshaw
Mr Hodge	Mr Williams
Mr Bridge	Mr Stephens
Dr Lawrence	Mr Watt
Mr Tom Jones	Mr Grayden

**Clause, as amended, thus passed.**

**Clause 24: Various penalties amended -**

Mr CASH: Clause 24 deals with a number of changes to the monetary penalties that can be found throughout the Act. Some penalties increase by approximately 20 per cent; others by a far greater percentage. In general terms we recognise that the increase in these penalties really reflects inflation over the years, and we are prepared to support the penalties as put forward by the Government.

There has been some controversy created over this Bill. I think that most of the controversy occurred in respect of section 89, which clause 23 amends. I trust that a fair reading of the debate will indicate clearly that the Liberal Party, by its comments tonight, is interested in protecting the car owning public of Western Australia, and that when their cars are stolen it will be the Liberal Party that is prepared to ensure that those convicted of theft are given the appropriate penalty.

**Clause put and passed.**

**Title put and passed.**

**Bill reported, with amendments.**

*House adjourned at 12.15 am (Wednesday)*

## QUESTIONS ON NOTICE

## STATE SUPERANNUATION BOARD

*Membership*

269. Mr MacKINNON, to the Premier:

- (1) Who are the current members of the State Superannuation Board?
- (2) When were they appointed?
- (3) For what period were they appointed?
- (4) When was the SB Investment Trust established?
- (5) Are there separate directors for the investment trust or is that administered by the Board of the State Superannuation Board?
- (6) If it is a separate board, what are the names of the members of that board?
- (7) Who handles the investment portfolio for the SB Investment Trust?
- (8) What proportion of the State Superannuation Board's investments are now invested through the SB Investment Trust?

Mr PETER DOWDING replied:

(1)-(2)

W.F. Rolston - 1 July 1987  
 M.C. Kingsmill - 1 July 1987  
 M.H. Helm - 13 October 1987  
 K.J. Edwards - 1 January 1988  
 O.S. Middleton - 10 June 1988  
 O.B. Mansfield - 10 June 1988  
 J.A. McGinty - 10 June 1988.

- (3) Three years.
- (4) The SSB Investment Trust was acquired in June 1983.
- (5) Yes.
- (6) W.F. Rolston, K.J. Edwards and S.B. Tindale.
- (7) The trust is managed by the SB Investment Ltd.
- (8) As of 30 June 1987 about 23 per cent of the board's investments were handled through the trust.

## STATE GOVERNMENT INSURANCE COMMISSION

*Bell Group - Salomon Brothers*

361. Mr COWAN, to the Premier:

- (1) With respect to the State Government Insurance Commission purchase of 19.9 per cent equity in the Bell Group, did the SGIC receive advice from Salomon Brothers?
- (2) What steps did the SGIC take to ensure that Salomons holds a current investment adviser's licence?
- (3) Was the advice received from Salomons' Australian office or its New York office?

Mr PETER DOWDING replied:

(1) Yes.

(2)-(3)

This was not necessary as the evaluation carried out by Salomon Brothers was done by a team from its London office where the necessary research facilities and computer programs were located.

STATE GOVERNMENT REVENUE  
*Companies - Lucrative Deals*

367. Mr COURT, to the Premier:

- (1) Could he detail as to how lucrative deals with the State's top business men and organisations would help increase State Government revenue and relieve the pressure on Western Australian taxpayers?
- (2) What additional revenue has the Government received from the SGIC over the past year and what is it budgeting on receiving for the next financial year?
- (3) What contribution has it budgeted for the WADC and Exim to provide this financial year?

Mr PETER DOWDING replied:

- (1) I understand the member's discomfort at the Government's ability not to have to increase major Government charges in 1988-89. The investment performance of the SGIC has been a significant factor in that decision, as it was in the decision to abolish the third party insurance surcharge.
- (2) The Government expects a substantial dividend from the SGIC at the end of this financial year.
- (3) The 1987-88 Budget contained no provision for statutory dividends from WADC or Exim.

ROTHWELLS  
*Western Collieries*

427. Mr HASSELL, to the Treasurer:

- (1) As it is acknowledged in answer to question 210 of 1988 that the "appropriate Government officers were kept informed" on the Rothwells deal to buy Western Collieries, why was the Government informed?
- (2) Was it because of the Rothwells guarantee?
- (3) Does he have advice that the guarantee may now be called in because of the deal?
- (4) Has an assessment been made of the risk increase under the guarantee because of the deal?
- (5) Were there borrowings for the deal to take place?
- (6) What assessment, and by whom, has been made regarding the current status of the Rothwells' guarantee and the degree of risk under it?
- (7) Is the guarantee supported by regular documentation which gives the guarantor the usual rights in relation to the financial activities of the guaranteed party?
- (8) Will he table the guarantee document?

Mr PETER DOWDING replied:

- (1)-(2) Rothwells and CSR informed the Government of the sale. The question should be directed to the companies.
- (3) No.
- (4) I have not been made aware of any "risk increase".
- (5) This is a matter for Rothwells.
- (6) See answer to question without notice 37.
- (7) See answer to question 296.
- (8) No. The indemnity and the accompanying documents contain commercially confidential information.



## STATE SUPERANNUATION BOARD

*Bond Corporation - David Jones Site*

484. Mr HASSELL, to the Premier:

What is the progress of negotiations between the State Superannuation Board and Bond Corporation for the State Superannuation Board to escape the burden of its 10-year funding of the Bond interest in the David Jones site?

Mr PETER DOWDING replied:

Negotiations are continuing.

## PROPERTY DEVELOPMENT

*Laverton*

549. Mr LEWIS, to the Minister for Lands:

- (1) Has the Department of Lands Administration any proposals to release or develop and make available for sale within or near the townsite of Laverton -
  - (a) housing allotments;
  - (b) land identified and zoned for industrial use?
- (2) If yes -
  - (a) when will each category of land be made available; and
  - (b) how many lots will be released in each?

Mrs HENDERSON replied:

- (1) Yes.
- (2) (a) The development and release of residential lots are in the early stages of planning and consequently it is difficult to determine when lots will become available for release. Funds for development have been requested for 1988-89 and subject to funding, completion of development in that financial year is proposed. The release of light industrial lots is expected within approximately six to eight weeks;
- (b) present proposals envisage the release of up to 30 residential lots and five light industrial lots.

## POLICE

*Housing - Narrogin*

611. Mr CASH, to the Minister for Police and Emergency Services:

- (1) Following his recent comments in which he suggested that a lack of adequate housing contributed to the inability to increase police numbers in certain country areas, can he advise if there are currently vacant GEHA houses in Narrogin which could be used by police officers?
- (2) Have there been requests to increase the police manning levels at Narrogin?
- (3) Is the Narrogin Police Station currently allocated sufficient resources for effective policing in the Narrogin and adjacent areas?
- (4) When is it likely that additional police officers will be stationed in Narrogin?

Mr TAYLOR replied:

- (1)-(3) Yes.
- (4) Present staffing levels are being reviewed.

## POLICE

*Manpower*

624. Mr COWAN, to the Minister for Police and Emergency Services:

- (1) Measured on an FTE basis -
  - (a) how many active police officers are there in WA; and

- (b) how many active police officers are on administrative duties?
- (2) What steps have been taken in the last six months to reduce the amount of time taken by active police officers in writing reports?
- (3) (a) Is there evidence of the steps referred to in (2) resulting in an actual decrease in the time spent by active officers on paperwork;
- (b) if yes, what is it?

Mr TAYLOR replied:

- (1) (a) There are present 3 317 FTEs in the Western Australia Police Force, all of which are available for active duty as required;
- (b) although some are deployed in administrative functions all police officers are capable of performing an active police role when required.
- (2) Rationalisation of reporting procedures relating to matters associated with liquor offences, firearm licensing, traffic prosecutions and coronial inquiries are in various stages of trial and implementation. Additional clerical staff have been provided to assist operational police in preparation of reports, etc.
- (3) (a) It is too early to determine actual time savings at this point in time. However, it is envisaged that considerable man hours will be saved;
- (b) answered by (a).

#### POLICE *Manpower*

626. Mr COWAN, to the Minister for Police and Emergency Services:

How many additional FTE police officers would be required to-

- (a) maintain a full roster at all regional police stations in the country;
- (b) return a full complement of Liquor and Gaming Squad officers to regional police stations in the country;
- (c) establish regional tactical response groups in the country; and
- (d) maintain all existing one man police stations in the country?

Mr TAYLOR replied:

- (a) Current rostering of staff at regional police stations is meeting the needs of the community; however, the strength of these are constantly under review;
- (b) it is considered that there are sufficient liquor and gaming officers at regional centres to carry out the function;
- (c) the establishment of country based tactical response groups is not considered appropriate, bearing in mind that local resources are available to contain situations of a serious nature pending the arrival of specialists from the metropolitan area; and
- (d) no additional staff would be required to maintain all the one-man police stations in the country in their present format.

#### POLICE DOG SQUAD

638. Mr CASH, to the Minister for Police and Emergency Services:

- (1) Further to his answer to question 400 of 1988, when is a dog unit to be formed?
- (2) Can he advise the number of dogs and handlers which will be involved, and the location throughout Western Australia?

Mr TAYLOR replied:

- (1) The review of the need for formation of a police dog squad referred to in question 400 of 1988 is not yet complete.

- (2) No. This information is dependent on the outcome of the review.

**POLICE STATIONS**

*Yanchep-Two Rocks*

681. Mr CRANE, to the Minister for Police and Emergency Services:

- (1) Further to my question 418 of 1988, regarding a police station for Yanchep-Two Rocks, when is it anticipated that the Building Management Authority will complete its acquisition of the 1.5 hectare site?
- (2) Will the Government then proceed with the building of the complex without delay?
- (3) If not, why not?

Mr TAYLOR replied:

- (1) Finalisation of the acquisition is dependent upon completion of all necessary conveyancing by the Crown Law Department.
- (2) The matter will be considered in conjunction with other building priorities.
- (3) As in (2).

**LAKE JASPER**

*Government Budgets*

682. Mr STEPHENS, to the Minister for Conservation and Land Management:

What funds are proposed for budgeting purposes in each of the years 1988-89 and 1989-90 for the following -

- (a) monitoring, surveying and researching the affect of power boat use at Lake Jasper;
- (b) upgrading road access to Lake Jasper;
- (c) providing visitor facilities at Lake Jasper;
- (d) providing power boat facilities at Lake Jasper;
- (e) carrying out dieback evaluation in the Lake Jasper area;
- (f) monitoring, surveying and researching ecological aspects of Lake Jasper; and
- (g) monitoring, surveying and researching hydrological aspects of Lake Jasper?

Mr HODGE replied;

- (a) The department has already investigated the effects of power boat use which has been low.
- (b)-(e) answered in response to question 614 from Mr I.D. Thompson, member for Kalamunda.
- (f)-(g) this will be considered as a part of the Budget process in each of the years referred to.

**STATE GOVERNMENT INSURANCE COMMISSION**

*Investment Limitations*

685. Mr HASSELL, to the Premier:

- (1) What are the SGIC's internal investment limitations and ceilings in relation to -
  - (a) shareholders funds/assets/gearing ratios;
  - (b) amount of exposure in one transaction?
- (2) Will he table the SGIC board resolutions in relation to the Bell-Bond deals?

- (3) Does SGIC have any policy in relation to investment limitation in any one sector of the market?
- (4) What further growth in the investment portfolios of the SGIC will be permitted on the capital base it now has?

Mr PETER DOWDING replied:

- (1)-(3) This is commercially sensitive information and to provide this information will place the Insurance Commission at a commercial disadvantage.
- (4) Sections 16, 17 and 18 of the State Government Insurance Commission Act governs the establishment, and composition of, the apportionment of income, expenditure, assets to, and transfer between the funds of the commission.

**WATER AUTHORITY**  
*Personnel - Retirement*

686. Mr GREIG, to the Minister for Water Resources:

- (1) Is he aware that at the end of June 1987 in excess of 60 persons in the Water Authority accepted voluntary retirement with significant voluntary redundancy payments commonly termed "golden handshakes"?
- (2) Is it a fact that a number of senior professional officers were then immediately employed as consultants by the authority, doing the same or similar occupation from the same work location, and in one case a person was an employee at his desk on a Friday and on the Monday the same person continued doing the same job at the same desk as a consultant?
- (3) Could not this practice be seen as a subterfuge and a conspiracy by the Water Authority to enter into arrangements with employees whereby they are able to exercise significant income tax advantages?
- (4)
  - (a) Are these staff change arrangements designed to achieve greater flexibility and efficiency in the work force;
  - (b) if so, will he undertake to pursue changes to the Public Service regulations and industrial award conditions to provide easier retrenchments and the facility for permanent part time work at all levels in the Authority?
- (5)
  - (a) Is it a fact that in the Water Authority a similar course of retrenchments and then re-employment as consultants is to occur at the end of June 1988;
  - (b) if so, how many persons are involved for retrenchment and then re-employment?

Mr BRIDGE replied:

- (1) At the end of June 1987 the Water Authority conducted a selective early voluntary severance scheme for Public Service Act employees. A total of 71 accepted. The Water Authority conducted the scheme in accordance with Government policies and guidelines.
- (2) No. One former employee has been engaged through a consultancy firm for specialised work on the consolidation of water legislation in conjunction with Parliamentary Counsel. I am advised the costs associated with this engagement are very much less than that of a full time employee.
- (3) No.
- (4)
  - (a) Yes;
  - (b) the Public Service regulations and industrial award conditions provide sufficient flexibility for the needs of the Water Authority's work force.

- (5) (a) No;
- (b) not applicable.

**TREE PLANTING**  
*Greening Australia*

688. Mr REG TUBBY, to the Minister for Conservation and Land Management:

- (1) Were funds made available through the Department of Conservation and Land Management for the appointment of regional "tree persons" to promote Greening Australia?
- (2) If yes -
  - (a) were these people appointed to various regions in Western Australia to promote the scheme;
  - (b) is it a fact that funds have now been withdrawn preventing the continuation of this function;
  - (c) is he also aware that country shire councils used these advisers to good effect and supported the scheme; and
  - (d) in view of the urgent need for tree planting, in particular in our low rainfall agricultural areas, would consideration be given to further allocation of funds to allow the promotion to continue?
- (3) If no to (1), through which department were funds allocated?

Mr HODGE replied:

- (1) No.
- (2) Not applicable.
- (3) Commonwealth sources.

**WESTRAIL**  
*Freight Rates - Fuel*

695. Mr TRENORDEN, to the Minister for Transport:

- (1) Has Westrail reduced its bulk fuel freight rate to Northam?
- (2) To what extent have these lower rates been passed on to consumers?

Mr PEARCE replied:

- (1) In April 1988, the effective rail freight rate for bulk fuel to Northam was reduced by \$5.89 per tonne - approximately 0.4c per litre.
- (2) Before assenting to the rail rate reductions introduced by Westrail, Government sought assurances from the Prices Surveillance Authority that the reductions would be reflected in the authority's "freight differentials", which represent the transport charge applied by the oil companies for the delivery of fuel to inland centres. The authority adjusted its differentials on 27 April 1988. In the case of Northam, the reduction in the differential was 0.4c per litre.

**ROAD CONSTRUCTION**  
*Cascades-Lake King Road*

698. Mr CASH, to the Minister for Transport:

- (1) Is he aware of the considerable support for the early construction of the Cascades-Lake King Road?
- (2) Does his policy support the early construction of this road, and if not, why not?
- (3) What would the cost be of constructing this road to a suitable gravel standard?

Mr PEARCE replied:

(1)-(3)

Yes, of course the Government is aware of issues involved in this proposal. I have recently received a report covering the economic assessment of the project and this is under consideration. As soon as the decision has been made, I will be in touch with interested parties in the region.

#### ROAD CONSTRUCTION

##### *Cascades-Lake King Road*

699. Mr CASH, to the Minister for Transport:

- (1) In view of the recommendations of the recently published "Manning Review of the Road System in the Lake King, Esperance, Ravensthorpe and Norseman Area", will he have the proposed Cascades-Lake King road reserve gazetted?
- (2) How long will this gazettal take to complete?
- (3) Is it intended to gazette option "A" or option "B", as set out in figure No 9 on page 40 of the above report?

Mr PEARCE replied:

(1)-(3)

See answer to question 698.

#### DROUGHTS

##### *Pastoral Lands*

701. Mr MASLEN, to the Minister for Agriculture:

- (1) With regard to the drought affected and cyclone devastated pastoral lands of the Gascoyne and Murchison, how many properties have been drought declared?
- (2) When were they drought declared?
- (3) What is the name of the drought declared properties?
- (4) How many are currently pending drought declaration?
- (5) What is the name of the properties that are pending declaration?
- (6) How much money has been paid out to these aforementioned properties, during the period of the current drought and cyclone disaster?

Mr GRILL replied:

- (1) Five.
- (2) On 9 May, two properties; 5 June, three properties.
- (3) Wahroonga Station, Edaggee Station, Callagiddy Station, Boologooro Station, Gnoraloo Station.
- (4) Eleven.
- (5) Marron Station, Mooka Station, Manberry Station, Woodleigh Station, Wooramel Station, Doorawarra Station, Brickhouse Station, Cooralya Station, Quobba Station, Ella Valla Station, Meedo Station.
- (6) Nil.

#### CYCLONE HERBIE

703. Mr MASLEN, to the Minister representing the Minister for Budget Management:

- (1) How many residents and fishermen of Denham, Monkey Mia and Shark Bay have applied for assistance in the wake of the devastation caused by cyclone Herbie?

- (2) How many requests have been agreed to and settled?
- (3) How many are still outstanding, or still under consideration?
- (4) How much money has been paid out from Government sources?
- (5) How much money is still envisaged to be paid out from Government sources?

Mr TAYLOR replied:

- (1) Approximately 100.
- (2) Sixty seven cheques have been issued. This does include a small number of requests from the Camarvon area.
- (3) Six.
- (4) Approximately \$90 000.
- (5) Unknown at this stage as further requests are expected.

**BORONOVSKIS, MR**  
*Appointment*

708. Mr COWAN, to the Minister for Transport:

- (1) Further to question 184 of 1988, on what basis is he able to claim that the appointment of Mr Boronovskis had the support or approval of either the Association of Employers of Waterside Labour or the Australian Chamber of Shipping?
- (2) Is it his intention to reappoint Mr Boronovskis for a further term when his current appointment expires?
- (3) Is it his view that impartiality is an essential qualification for any person appointed as conciliator at the Port of Fremantle?

Mr PEARCE replied:

- (1) Both the Association of Employers of Waterside Labour and the Australian Chamber of Shipping were approached by a representative of the Office of Industrial Relations and consensus was reached in respect of three people, two of whom declined the offer and Mr Boronovskis was the third. Additionally, all parties, including AEWL and ACOS, agreed to his reappointment for a further period of two years, at a meeting of relevant parties in the Fremantle Port Authority building, on 25 June 1986.
- (2) The conciliator's position and the dispute settling procedure is due for review at the end of this month. All parties will be consulted and a decision will be made following that consultation.
- (3) Yes.

**BUS AIDES**  
*Education Support Centres - Handicapped Students*

710. Mr WIESE, to the Minister for Education:

- (1) How many bus aides have been made available to assist in the transportation of children to education support centres in the -
  - (a) metropolitan area;
  - (b) country areas?
- (2) With regard to country education support centres -
  - (a) which have the services of bus aides;
  - (b) how many bus aides are involved in each of these centres; and
  - (c) how many children are helped in each of these centres by the provision of a bus aide?
- (3) For each of the school years 1986, 1987 and 1988 how many applications for the provision of bus aides were received from the -

- (a) metropolitan area;
- (b) country areas?
- (4) How many children who, because of their specific handicaps or location, are unable to use bus transport and therefore are conveyed by taxi at department expense to education support centres in the -
  - (a) metropolitan area;
  - (b) country areas?
- (5) For each of the years 1986, 1987 and 1988 what was the cost for the provision of this service in the -
  - (a) metropolitan area;
  - (b) country areas?
- (6) What is the maximum daily mileage travelled by any person conveying his/her own child to an education support centre and receiving a conveyancing allowance?

Dr LAWRENCE replied:

- (1) (a) 61;
- (b) one.
- (2) (a) College Row;
- (b) one;
- (c) five.
- (3) Since parental applications for the provision of bus aides for education support centre buses are subsequently placed on the file relating to each individual child, the information requested is not readily available.
- (4) (a) Nine;
- (b) one.
- (5) The cost of transport for handicapped students is recorded on a whole of State basis under the following headings -

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
Bus contractors	\$1 871 675	\$2 056 197	\$2 158 000
Conveyance allowance	\$23 941	\$26 117	\$28 000

- (6) 108 kilometres per day.

#### EDUCATION *School Enrolments*

712. Mr MENSAROS, to the Minister for Education:

Appreciating the Minister's answer to question 546 of 1988, could she make the same information available, namely the enrolment numbers, in -

- (1) Government schools;
- (2) non-Government schools

separately showing -

- (a) primary school levels;
  - (b) years 7 to 10;
  - (c) years 11 and 12;
- for the identical parts of the years
- (i) 1970;
  - (ii) 1975;



(iii) 1980; and

(iv) 1985?

The answer was tabled.

[See paper No 251.]

**PUBLIC SERVANTS**  
*Police - Conditions of Employment*

716. Mr CASH, to the Minister for Public Sector Management:

Will he outline any proposed changes to the conditions which apply to public servants under the Public Service Act who may now be attached to the Police Department?

Mr PETER DOWDING replied:

There are no changes proposed for amending employment conditions for Public Service Act employees attached to the Police Department.

**AGRICULTURE, DEPARTMENT OF**  
*Computers*

717. Mr HOUSE, to the Minister for Agriculture:

- (1) What advantage to farmers is the Department of Agriculture's move into the range of computer and software programs?
- (2) Does the department wish to develop further computer and software programs for use by farmers?
- (3) Is it considered that this action is detracting from the income of farm advisers and accountants already servicing this field for agricultural use?
- (4) Has the department any plans to release further programs for use by farmers with home computers?

Mr GRILL replied:

- (1) These programs allow advisers to give farmers more accurate technical advice which includes an economic analysis of alternatives. A small proportion of programs developed can be used directly by farmers. These programs can benefit agriculture, where they perform a function different from that of programs already available.
- (2) Yes, where programs developed for research provide benefits to farmers which are not provided by existing software.
- (3) No, because the department is not providing services to farmers which duplicate the services offered by consultants or accountants.
- (4) None in the immediate future. The department will continue to develop programs to enhance its research and extension functions. If these programs are requested by farmers, consideration will be given to their release.

**TREATIES, CONVENTIONS AND AGREEMENTS**  
*Aborigines - Federal Government Proposals*

721. Mr HASSELL, to the Premier:

Does the Government support Federal proposals for the negotiation of an Aboriginal treaty?

Mr PETER DOWDING replied:

The idea of negotiating an accommodation with the Aboriginal people of this country - be it a treaty, makarrata or compact - is not new. It has been canvassed by various Federal Governments from time to time. The Fraser Liberal Coalition Government for example was prepared to entertain the idea of a compact or makarrata.

The recent rejection out of hand of such proposals by the present Leader of

the Federal Opposition is a matter for considerable regret. It is clear that his divisive statements do not reflect the majority view within Australia, as has been evidenced by ensuing newspaper editorials, polling results and statements by mainstream church leaders.

Negotiations towards a treaty will enable Aboriginal Australians to express their aspirations regarding the manner in which they can fully participate in ensuring their place on an equal basis in socio-economic and political terms with the rest of Australia. Any attempt to achieve such a result must be, and is, supported by the State Government.

#### BURSWOOD CASINO

##### *Corporate Affairs Department - Legal Opinion*

723. Mr HASSELL, to the Minister representing the Attorney General:

- (1) After the final report of the Commissioner for Corporate Affairs in June 1987 on the matter of the Burswood prosecution, was a further opinion of counsel sought?
- (2) If so, from whom?

Mr GRILL replied:

(1)-(2)

In view of the fact that this subject is being considered by a Select Committee, it would be inappropriate for the Attorney General to make any comment.

#### CONSERVATION

##### *Shark Bay - World Heritage*

724. Mr HASSELL, to the Minister for Planning:

- (1) Does he recall his promise to abandon governmental consideration of World Heritage listing for Shark Bay if that was the wish of the Shark Bay people?
- (2) Did he speak on behalf of the Government in making that commitment?
- (3) Is he aware that his officers have suggested the view he expressed was merely personal?

Mr PEARCE replied:

- (1) I promised that the State Government would not nominate Shark Bay for World Heritage listing unless the local people agreed.
- (2) Yes.
- (3) I do not believe this claim.

#### NOALIMBA

##### *Subdivision*

726. Mr MacKINNON, to the Minister representing the Minister for Sport and Recreation:

- (1) With reference to question 13 of 18 May, can the Minister advise me what he means by "the first stage of the subdivision is expected to be available in one month"?
- (2) Has this land been rezoned?
- (3) How many lots will be made available in this first stage of the subdivision?
- (4) When is it expected the land will be available for purchase?

Mr TAYLOR replied:

- (1) The first stage of the subdivision refers to vacant Crown land south of the existing Noalimba Reserve.
- (2) Rezoning is currently with the State Planning Commission.
- (3) Fortyfour.
- (4) Six months.

## POWER STATIONS

*State Energy Commission - Generating Capacity*

727. Mr COURT, to the Minister for Economic Development and Trade:

- (1) What is the generating capacity of the SEC's major power stations at Muja, Bunbury and Kwinana?
- (2) What is the proposed generating capacity of the new power station to be built at Collie?

Mr PARKER replied:

- (1) The generating capacity of the SEC's major power stations are Muja, 1 040MW; Bunbury, 120MW; Kwinana, 900MW.
- (2) 400-500MW.

## POLICE

*Overtime*

728. Mr CASH, to the Minister for Police and Emergency Services:

- (1) Does each suburban CIB office and/or CIB squad have a specific amount of funds allocated to it for overtime purposes?
- (2) If not, what system is used to allocate overtime?

Mr TAYLOR replied:

- (1)-(2) Police officers, including squads mentioned, have an overtime budget which should be adhered to. However, overtime considered essential by the commissioner is always approved.

## LAND ACQUISITION

*Shelley - Homeswest*

729. Mr LEWIS, to the Minister for Housing:

- (1) Further to question 551 of 1988, were any of the 11 developers referred to other than the Smith Corporation specifically offered to purchase lots 864 and 865 Dewey Street, Shelley?
- (2) Were offers accepted on the basis of highest purchase price or was the price fixed by Homeswest?
- (3) If no to (1), why were no others offered the lots?
- (4) If the price for the lots was fixed by Homeswest, how were the values determined?

Mrs BEGGS replied:

- (1) Of the 11 developers who were offered the lots, only the Smith Corporation expressed an interest in purchasing lots 864 and 865 Dewey Street, Shelley.
- (2) The price was set by Homeswest on the basis of current market value or cost to date, whichever the higher, plus five per cent.
- (3) Not applicable.
- (4) Current market value, as at March 1988 - \$190 000;  
cost to date, as at March 1988 - \$229 814;  
cost to date \$229 814 and five per cent - sales price \$241 000.

## FREMANTLE PORT AUTHORITY

*Pay Settlements*

731. Mr LEWIS, to the Minister for Transport:

- (1) Can he confirm that he has recently approved a request by the Fremantle Port Authority to grant pay increases in excess of \$120 per week above the award to a large group of tradespersons, fitters and electricians employed by or whose wages and conditions are supervised by that authority?

- (2) If yes,
  - (a) how many employees or persons have been granted these wage increases; and
  - (b) why have these employees been granted such large increases in over award payments?
- (3) Were the recipients of these wage increases in recent times members of the Electrical Trades Union and/or the Amalgamated Metal Workers Union?
- (4) Are the recipients now employed as waterside workers and now members of the Waterside Workers Federation?

Mr PEARCE replied:

- (1) I have not received, and hence have not approved, a request by the Fremantle Port Authority to grant \$120 a week pay increase to tradespersons employed by the authority. I have, however, approved a request from the authority to enter into negotiations with the Waterside Workers Federation for an award to cover employees of the authority engaged in the electrical and mechanical maintenance of stevedoring equipment. The negotiations cover various issues including total removal of demarcation lines, skill enhancement and multi-skilling. The amount of any wage increase has not been agreed to, and any agreement that may be reached will be subject to Government approval in the first instance and ultimate ratification by the Arbitration Commission.
- (2)-(4) Not applicable.

#### MEDICARE MATCH-UP

##### *Legality*

734. Mr MENSAROS, to the Minister for Racing and Gaming:

- (1) Is she aware of the recently advertised "Medicare Match-up" game where people are offered prizes on their so far believed to be confidential Medicare cards and numbers?
- (2) Has the Government decided to deem this exercise legal?
- (3) Does the Government agree with this exercise, even if it appears to be legal?
- (4) If it does agree, will the Government in its own right or combined with the Commonwealth Government take the legal steps, even by amending relevant legislation if necessary, to ban this type of game based on Medicare cards?

Mrs BEGGS replied:

The member is referred to my reply to his question without notice on Thursday, 16 June 1988.

#### FANS

##### *Ceiling Fans - Building Regulations*

735. Mr GREIG, to the Minister for Local Government:

- (1) Is he aware that under the building codes there is no minimum height for the distance between overhead ceiling fans and clearance to floor level and/or provision of guards on these fans when installed in public places?
- (2)
  - (a) Is he aware of a number of instances in public places where young children have been injured by overhead fans, when said children are being carried in public places on the shoulders of their parents; and
  - (b) if so, are there any statistics on this information?
- (3) Are there any regulations restricting the distance between floor and operating ceiling fans in homes and private facilities?

Mr CARR replied:

- (1) Yes.
- (2) (a) No;
- (b) statistics of this kind are available on written application from the Child Accident Prevention Foundation.
- (3) No.

### SCHOOLS

#### *Police - Community Policing Programs*

736. Mr MENSAROS, to the Minister for Education:

Which are the metropolitan schools in which the police community education section conducts pilot study courses to foster better understanding between the police and young people?

Dr LAWRENCE replied:

There are four police constables conducting the school based community policing program in the following high schools and contributory primary schools -

#### Secondary School

Forrestfield Senior  
High School

Girrawheen Senior  
High School

Hollywood Senior  
High School

Servite College and  
St Stephen's School

#### Associated Primary Schools

Dawson Park  
Forrestfield  
High Wycombe  
Maida Vale  
Wattle Grove  
Woodlupine

Blackmore  
Girrawheen  
Hainsworth  
Koondoola  
Montrose  
Waddington

Claremont  
Dalkeith  
East Claremont  
Hollywood  
Jolimont  
Nedlands  
Rosalie

St Kieran's  
School

### GAMING COMMISSION ACT

#### *Costs*

739. Mr HOUSE, to the Minister for Racing and Gaming:

- (1) What is the anticipated annual cost of the Gaming Commission Act in terms of -
  - (a) salaries;
  - (b) vehicle costs; and
  - (c) office and associated costs?
- (2) What percentage of these costs is apportioned to the policing of permitted gaming in licensed clubs?

Mrs BEGGS replied:

- (1) It is assumed that the member is referring to the costs associated with permitted gaming pursuant to the Gaming Commission Act. Anticipated

annual expenditure for the Gaming Commission in respect of the following items is -

(a)	Salaries	\$376 000
(b)	vehicle costs	\$2 900
(c)	office and associated costs	<u>\$142 100</u>
	Total expenditure	<u>\$521 000</u>

- (2) Approximately 40 per cent of the above costs will be apportioned to policing of permitted gaming, which will include policing of gaming in licensed clubs.

## QUESTIONS WITHOUT NOTICE

### PRISON SENTENCES

#### *Life Imprisonment*

108. Mr MacKINNON, to the Premier:

- (1) Does he recall the commitment given by the former Premier, as reported in *The West Australian* of 22 June 1987, that "The State Government will legislate to ensure that some wilful murderers spend the rest of their lives in gaol. In a radical move, the Government will legislate in the spring session to make the release of such criminals dependent on agreement by both Houses of Parliament"?
- (2) If so, why did he re-announce the same initiative yesterday?
- (3) Why has the legislation not yet been presented to the Parliament, given his predecessor's commitment that the Bill would be introduced in the spring session in 1987?
- (4) When will the Bill be now presented to the Parliament?

Mr PETER DOWDING replied:

(1)-(4)

The Bill which will introduce the option for a judge to impose a term of imprisonment for a person's natural life will be introduced as soon as it can be drafted and brought into this House. It is not intended that the release of a person will be then dependent upon a motion of both Houses of Parliament. It has not been discussed on that basis on this occasion, and my view is that it really is quite inappropriate that parliamentarians ought to be called upon to debate in a party political situation decisions of that kind. My view is that judges should have the role and the responsibility of making a decision about which of the three penalties for wilful murder ought to be imposed; that is, life imprisonment, strict security life imprisonment, or imprisonment for the term of the natural life.

Unlike the Opposition, which really has shown an extraordinary proclivity in trying to take away this responsibility from the judiciary and the Public Service, and transform it into a totally political arena, my Government does not think that would be appropriate on this occasion, and it is not intended to incorporate such provisions into the Bill. I do not know why the matter was not proceeded with in exactly the way indicated by the former Premier. I was aware that a decision had been made to increase the penalty in the sense that it would elongate the period from which somebody would be eligible for parole. I understand we have made some decisions in that area, but the Attorney General would probably have to give me some advice before I could answer in detail.

### HOUSING LOAN INTEREST RATES

#### *Westpac*

109. Mrs BUCHANAN, to the Treasurer:

- (1) Is the Treasurer aware of today's announcement by Westpac that it is increasing its mortgage interest rates by one per cent?

- (2) Will the State Government be responding in any way to assist those home owners most affected?

Mr PETER DOWDING replied:

(1)-(2)

Yes. The Government has become aware of the announcement by Westpac, and it is fair to say that many of us are disappointed at the rise in interest rates. I am pleased to say that Westpac has offered to extend loan duration, instead of increasing the repayments, which will of course reduce the impact on most borrowers. That happened on a previous occasion when there was a movement in interest rates, and as a result, people were able to accommodate the fluctuation in interest rates, which is a necessity for the community if we are going to obtain the benefits of the improved economy.

There is a very real concern that some families may be placed in positions of hardship as a result of this increase. The Government has been aware for some time that there was a risk of a movement in interest rates. We have been working on a plan to provide special assistance for those families likely to be most affected. We will continue to make available the range of mortgage relief and loan assistance programs which are offered to low income earners, which are unparalleled in Western Australia, largely because our political opponents ignored for the entire period of their office the plight and position of lower income earners. We will be working on ways and means of ameliorating this likely movement, and we hope the movement is not long in remaining.

I should say also that one of the problems with the Australian economy at the moment is its strength and buoyancy. If we look at the movement of the Australian dollar against the US dollar, it is probably a bit too bullish for a State such as ours, which is heavily dependent on exports, but that is what comes from having a Government in Canberra with such expertise that it can turn around the economy of this country until bullishness is a problem.

#### TEACHERS CREDIT SOCIETY

*Australian Labor Party*

110. Mr COURT, to the Premier:

- (1) What action has the Premier taken to determine whether the Australian Labor Party received a Westpac cheque dated 1 May 1987, which was given by the Teachers Credit Society to Mr Kevin Edwards after the Government had backed the extension of a major credit line by the R & I Bank to the Teachers Credit Society?
- (2) If the ALP has received this donation, will it be returned to the Teachers Credit Society, considering the large sums of taxpayers' funds injected into the rescue operation?
- (3) If not, will he ensure that the donation was reported, as required under the Commonwealth Electoral Act?

Mr PETER DOWDING replied:

(1)-(3)

The Deputy Leader of the Opposition does not raise anything new. We have been through this before. If the Opposition is saying that some impropriety has occurred in relation to the action of the Commissioners of the R & I Bank, or some impropriety in terms of the decision of the Government to support those thousands of people who had deposited their money with the Teachers Credit Society, then it should say so clearly. If the Opposition is not saying that impropriety occurred as a result of the payment of \$5 000, then it is really drawing an extraordinary bow. I do not think anyone accepts that it is a likely event that \$5 000 would have suddenly produced \$25 million.

The Opposition has not substantiated anything in the way of impropriety. Political parties receive donations all the time. I have made it clear to

members opposite that we are prepared to introduce legislation which requires disclosure of political donations. If members opposite wish to have some retrospectivity attached to the disclosure of political donations, they should say so, and we will consider it, but they should put their list on the table. The Deputy Leader of the Opposition can then tell the House whether he has received any money from the proprietors of Steves Nedlands Park Hotel.

Mr Court: What a joke!

Mr PETER DOWDING: If he has, he could then present a position. Can members opposite tell us whether Mr Oliver in the Legislative Council has received or sought any political support?

Mr Court: Who has been getting a \$5 000 donation? Talk about impropriety!

Mr PETER DOWDING: The Deputy Leader of the Opposition has raised that in this House and has used his political position in a way that directly impacts on the public attitude towards the issue of Steve's licence.

Mr Court: It has nothing to do with Steve's.

The SPEAKER: Order! The Deputy Leader of the Opposition. Order!

Mr PETER DOWDING: I have never heard the Deputy Leader of the Opposition deny that he received money from that source.

Mr Court: Look, Mr Premier, I will deny that I have received that money and I will also say that I have not been the treasurer of our party. You were the treasurer of your party only a couple of years ago.

Mr PETER DOWDING: That is all right. I would not trust the Deputy Leader of the Opposition with any political responsibility myself, but that is not for me.

Mr Court: You have taken the most improper \$5 000 that you could - taxpayers' funds.

The SPEAKER: Order!

Mr PETER DOWDING: When the Opposition is prepared to say what is likely to be the impropriety -

Mr Court: Talk about corruption in Government! A senior public servant involved.

The SPEAKER: Order! The Deputy Leader of the Opposition should come to order.

Mr PETER DOWDING: There we have the situation where the Deputy Leader of the Opposition actually goes overboard. Since we came back into Parliament in May this year I think the Opposition has spent every single day in this House alleging impropriety, corruption, etc., against every single person Opposition members can think to name. And what are we getting in this latest Legislative Council Standing Committee? What are we getting about these people who sat opposite and cast aspersions and one of the worst slurs I have ever heard on the Auditor General, who is such a senior public servant that he is answerable only to Parliament? We have heard the State Crown Solicitor and the State Crown Prosecutor both say that in their view there was no impropriety in the actions of the Auditor General when he was the Commissioner for Corporate Affairs. Now, members opposite heard it.

Mr MacKinnon: They both said it.

Mr PETER DOWDING: And has the Opposition apologised for the things it said?

Mr MacKinnon: I will wait until I see the full report.

Mr PETER DOWDING: I think this House is entitled to the view that members opposite use parliamentary privilege to call for corruption inquiries, to make allegations of corruption and impropriety, because they have nothing else to talk about.

Government members: Hear, hear!

Mr PETER DOWDING: They have no policies.



Government members: No policies!

Mr PETER DOWDING: They have no policies at all.

Mr Court: You are a corrupt Government.

Mr PETER DOWDING: And the last resort of weak and ineffectual politicians is a smear campaign.

Government members: Hear, hear!

The SPEAKER: Order!

Mr PETER DOWDING: Now I get to the final part of the question, and I say there has been no evidence placed before me of any impropriety on the part of the Labor Party and the Opposition has not placed before this House evidence of impropriety. I suggest the Opposition gets back to getting its own house in order and trying to get its party president under some sort of control before it starts criticising our political party.

Government members: Hear, hear!

### ROAD ACCIDENTS *Pedestrians*

111. Mr MARLBOROUGH, to the Minister for Police and Emergency Services:

Would the Minister comment on the article in *The West Australian* of 16 June entitled "Pedestrian death factor", which emphasised that almost 20 per cent of people killed on Western Australian roads are pedestrians?

Mr TAYLOR replied:

I would like to comment on that article, purely because it is the time of the year when it is dangerous for pedestrians on our roads, especially at this time of night. The police have drawn to my attention that between 1980 and 1987 there were 355 pedestrian fatalities in Western Australia, an average of 44 per year, which is approximately 19 per cent of all this State's road deaths.

I was surprised when I went through the statistics to find out that nearly half of the people involved were adults aged between 17 and 59 years. I think most of us believe that pedestrians killed on the roads are either young children or older people who may be crossing the road and be unaware of the dangers in doing so.

I want to say to people throughout Western Australia that not only do they have to be careful when using roads as pedestrians - and these figures show the dangers involved - but also when they are driving motor vehicles. They have to be especially careful at this time of the year when the sun goes down much earlier and when older and younger people as well as adults of all ages are on the roads and are perhaps not as wary as they should be.

I also point out that over three quarters, or 77 per cent, of the adult pedestrians killed in such accidents who were known to be drinking prior to the collision had blood alcohol levels in excess of 0.15 per cent, and one half of the fatally injured elderly pedestrians aged 60 years and over who had a positive blood alcohol level reading were over the 0.15 per cent level. So there is also a very dramatic connection, not only between those people who drink and drive - and I have given notice today in relation to changing section 66 of the Road Traffic Act concerning random breath-testing - but also between those pedestrians who are involved in accidents and the level of alcohol in their blood. It is a very fatal combination and one that people should be wary of.

### HOUSING LOAN INTEREST RATES *Housing Subsidies*

112. Mr LEWIS, to the Minister for Housing:

- (1) With the rise in home loan interest rates and with the run-up to the next election, will the Government again be subsidising the differential or additional interest cost incurred by Western Australian home owners?
- (2) If yes, will the Minister confirm that the mortgage interest assistance will be paid as long as housing loan interest rates remain above the level at which the subsidy first became payable?

Mrs BEGGS replied:

(1)-(2)

As the Premier just explained to the House, the Government has been very conscious of the impact of any increase in home mortgage interest rates. Over the last several weeks I have been developing a package that will perhaps alleviate some of the problems that low income earners would find themselves in if home loan interest rates were to rise dramatically.

We have no idea of what the impact will be because we do not know exactly what the interest increases will be, but certainly the package that we will be announcing next week will alleviate the problems of those people who are at the lower end of the income scale and who have borrowed money at a rate which they thought was affordable to them. If they find their mortgage interest rates go up, this package will be in place to ensure that they will not be disadvantaged.

Mr MacKinnon: How long will it last?

Mrs BEGGS: It will last as long as it is needed to last.

Mr MacKinnon: As long as is necessary - they were the words of the former Premier.

Mrs BEGGS: I think we have demonstrated, by all of the packages we have put in place, that we are very conscious of the need to lessen the impact on low income earners in regard to home ownership.

Mr Clarko: Especially just before an election. You bring it in three months before an election and take it off two months after.

The SPEAKER: Order!

Mrs BEGGS: I do not think that is a valid point to make at all.

Mr Clarko: "Save Pammy's seat".

Mrs BEGGS: It has nothing to do with saving Pammy's seat; what it has to do with -

Mr Clarko: "Save Pammy's seat".

The SPEAKER: Order! That is a highly improper interjection, for many reasons.

Mrs BEGGS: The point of the exercise of presenting a package is to ensure that those people less able to cope with the impact are given the opportunity to save their homes.

Mr Clarko: Just before an election.

Mr Peter Dowding: Interest rates came down last time.

Mrs BEGGS: I am not in a position to control when interest rates rise; that is beyond my control. But I am in a position, fortunately - because if the member for Karrinyup was in a position to do so he would take no notice whatsoever - where I can at least address some of the problems that might arise as a result of increases in interest rates to make sure that those people least able to afford the increases will be protected. That means that they will not, under this Government, be forced to sell their homes, which was not the case in 1981-1982 when thousands of Western Australian families were forced into a position where their homes were taken from them. I say quite proudly that that has not happened since we have been in Government.

Government members: Hear, hear!

**LIBERAL PARTY**  
*Simpson, Mr Keith*

113. Mr BERTRAM, to the Leader of the House:

In reference to question 96, is the Leader of the House now able to elaborate on his answer to that question?

Mr PEARCE replied:

I appreciate the interest the member has taken in the proposition that the Government nominate Mr Simpson for an honour, but I have to inform him that the Government is maintaining a fairly consistent position with regard to Mr Simpson's honour. However, I am able to update the House on events which have taken place since I last spoke on this matter. It seems that the proposition I put to the House on the last occasion - that is, that there had been a meeting of members of the Liberal Party in the Parliament House precincts to nominate Mr Simpson for the "Order of the Boot" - has proved to be absolutely accurate. Members heard it here first, because, as I pointed out on that occasion, the meeting was designed to promote Mr Viner as the alternative president of the party. He had his nomination in within a couple of days. Somebody suggested to me a touch unkindly that he would not have thought of it had I not suggested it, but I understand others put that proposition to Mr Viner on that occasion.

However, Mr Simpson has leapt to his own defence, particularly with regard to a criticism which I made of him, repeating it from the *Daily News* - that is, that the membership of the Liberal Party had dropped to its lowest ebb under his presidency. I point out that Mr Simpson is defending himself from that claim, and he has done so in a very forthright letter to the *Daily News* this evening, in which he has a few interesting things to say. His letter reads as follows -

When I assumed the State presidency in 1986, membership was already declining. From a peak membership of around 21,300 in 1980, it was around 16,100 in 1986.

However, this does not mean that the Party, at any stage, had either 21,300 or even 16,100 members. The provisions for dual, even triple membership, in the Party's old Constitution meant that membership was considerably higher than the number of members.

He goes on to point out that everyone acknowledges there has been a drop in support for the Liberal Party since 1983 anyway, but he has the party's new constitution into a position where he is able to say of it -

In other words, the Party has a real and accurate guide as to its number of members - as distinct from the number of memberships.

That has caused a problem for Mr Simpson because someone in the Liberal Party's head office decided that they would hold the meeting to re-elect Mr Simpson in Esperance. Under the new strict rules Mr Simpson's delegates cannot appoint proxies who are prepared to travel to Esperance in order to re-elect him. According to *The West Australian* this morning, Mr Simpson's supporters are greatly fearful that the new rules on proxy voting will tend to favour Mr Simpson's opponent in the ballot for president, Mr Viner, on the basis that Mr Viner is able to appoint hicks to be proxies for him; these hicks live close to Esperance and therefore can attend the conference.

I might admit I have been a bit of a supporter of Mr Simpson, although I am not prepared to put him forward for membership of the Order of Australia. Nevertheless, I think it is a bit rough that his supporters will not travel to Esperance to support him. If I were one of his supporters, I would do so, but unfortunately I do not have a vote.

## DRINKING AND DRIVING

*Youth*

114. Mr SCHELL, to the Minister for Police and Emergency Services:

- (1) Is the Government still considering altering the minimum age for drinking and driving with a view to increasing the time span between the two?
- (2) If not, on what grounds was this option rejected?
- (3) If yes, can the Minister advise the House of the current state of play?

Mr TAYLOR replied:

(1)-(3)

I thank the member for Mt Marshall for notice of the question. It is not a matter I have considered either in my former position as Minister for Health or today as Minister for Police and Emergency Services, but I think there are some matters which need to be addressed in relation to this issue.

Firstly, the Government has been very worried about the impact and the abuse of alcohol in our society. That is just not talking about alcohol from the point of view of young people, people who are under age drinkers or even those who are of drinking age; it is also talking about the population as a whole. In relation to another question I cited some figures about the impact of alcohol on pedestrian fatalities as far as motor vehicle accidents are concerned. It is not only that area; it is also the area of the family and the impact alcohol has on family breakups, and as far as crime in our society is concerned. One only has to talk to policemen to learn that in summer particularly many of the problems they face are caused by the abuse of alcohol and excessive alcohol consumption by not only young people but also by all sorts of people.

It is also of concern in respect of health care. Something like 25 per cent of our hospital beds are taken up by people who are there either because of directly alcohol related matters or indirectly because of alcohol. I believe strongly that the abuse of alcohol in our society is one of the greatest problems facing the Government, but I do not believe it would be possible for the Government to remove from young people what they already have. It would create a prohibition-type atmosphere in respect of people who currently have a drinking age of 18 by telling them that it will be raised to 21 years of age.

Mr Crane: They have done that in the US.

Mr TAYLOR: They have done that in some States of the United States but there are over 50 States in the US, and if people want to make an argument in relation to what is happening there, they can always find States which are either increasing the drinking age or which have gone that far and are now going back the other way for whatever reason. There are always States in the US which, for whatever reason, are going one way or the other on a whole range of social and political issues. I think it is a little dangerous to say that because some States there have taken that particular path, that is the way we should go. I think there are very real social difficulties involved in telling young people that we are going to take from them something they already have. I think the educative approach is far better, where we tell young people that we are going to give them all the support they need as far as the Government is concerned; more particularly I think young people need the support of their parents to be able to cope with the fact that in some cases they will have a driver's licence at 17 and be able to drink at 18. I realise that can be a dangerous or even a fatal

combination but I believe that if we go down the track of our alcohol education campaign, into which we have put something like \$500 000 in this Budget, and promote, as they have done in Victoria, venues which allow people to see top bands without alcohol being involved - in Victoria that is a campaign called "Rage without alcohol" - that would be very good.

I also believe that the campaign being undertaken by the Australian Hotels Association, which actively discourages young people from drinking when they are not of age to drink, is very responsible. It certainly has the support of the Government. I also believe that musicals such as *Smash Hit*, which was shown at the Astor Theatre a couple of months ago and which I attended, clearly point out to people the dangers of mixing alcohol and driving. The Government gave the people who put on that musical a good deal of financial support. I hope in the near future to have talks with those people about having that musical staged throughout Western Australia so that young people not only in the city but also in the regional centres of this State have the opportunity to learn from this production of the dangerous and fatal combination which could arise if they mix alcohol and driving.

That is where the Government stands, but it is not something which has been addressed in recent times. However, it is my personal view that it is very difficult to go down the road of prohibition and take from people something which they already have.

#### RANDOM BREATH-TESTS

##### *Legislation*

115. Mr P.J. SMITH, to the Premier:

- (1) Can the Premier tell the House what stage preparation of the appropriate legislation dealing with random breath testing has reached?
- (2) Can he advise what support he expects from the Parliament for this legislation?

Mr PETER DOWDING replied:

(1)-(2)

As members will be aware, the matter is proceeding into the House. I look forward to support from all political parties for this very important piece of legislation. I hope that the Leader of the Opposition will be able to note that some very relevant people in his own party support the random breath-testing legislation. I certainly hope he will reconsider what I think is a petulant stance against it, rather encouraged by the member for Mt Lawley, whose personal credibility has dropped fairly dramatically since he was last strutting the stage in opposition to random breath-testing. His credibility has dropped because he was not prepared to fight for a seat but rushed in hoping that his PR would look after him.

Mr Clarko: You didn't do that, did you?

Mr PETER DOWDING: I do not remember anyone accusing me of that in 1979. Does the Leader of the Opposition know a Dr Graham Jacobs?

Mr MacKinnon: Yes.

Mr PETER DOWDING: He is the Liberal candidate for the seat of Roe.

Mr MacKinnon: He will win.

Mr PETER DOWDING: I am not urging him along to win or not to win.

Mr Parker: He is probably one of Viner's proxies.

Mr PETER DOWDING: No, I really do have a letter from him in which what he says is very important. I draw it to the attention of the Leader of the Opposition in the hope that he will have the strength of character to tell his

party room that they ought not listen to the member for Mt Lawley. Dr Graham Jacobs said that, as a practising doctor and before more emotional accusations are made, he recognises the need for random breath-testing. It seems that, with one of his candidates taking that view, the Leader of the Opposition should support the Government's legislation. Dr Jacobs is a country doctor who sees a lot of trauma. It is important for the whole community that the approach to the legislation be on a bipartisan and preferably tripartisan basis.

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