

Legislative Assembly

Tuesday, 3 November 1992

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

MOTION - STANDING ORDERS SUSPENSION

*Royal Commission into Commercial Activities of Government Report -
Debate and Thanks to Commissioners and Commission Staff*

MR RIPPER (Belmont - Leader of the House) [2.05 pm]: I move -

That so much of the Standing Orders be suspended as is necessary to enable the Premier to move forthwith -

That the report of the Royal Commission into Commercial Activities of Government and Other Matters be noted and that the commissioners and commission staff be thanked for their diligent efforts on behalf of the people of Western Australia,

and for the time limits relating to a substantive motion to apply to the debate on that motion.

The Government, having commissioned the Royal Commission, is happy to allow as much Government time as necessary today for the debate on this motion to be concluded. The motion to be moved by the Premier will allow scope for a wide ranging debate and is a good vehicle for that debate.

Mr C.J. Barnett: I seek clarification from you, Mr Speaker, or the Leader of the House as to what is proposed in relation to time constraints on this debate.

Mr Ripper: It is intended that we allow as much time as is necessary today for the completion of this motion.

MR COWAN (Merredin - Leader of the National Party) [2.07 pm]: It has been widely accepted, not only by members of this House but also by every person in Western Australia, that the report of the Royal Commission into Commercial Activities of Government and Other Matters would be debated in this place. It has always been the intention of the Opposition parties that that would be the case and it has been no secret to the Government that considerable discussion took place this morning about the way in which a motion should be framed should the Opposition parties be given the opportunity to move such a motion.

With the exception of two areas of difference, the motion foreshadowed by the Leader of the House to be moved by the Premier is similar in that it allows for a broad debate on this matter. I make the point that this place has 56 members and in a debate of this nature each has 30 minutes during which to speak. In addition, the leading speaker on either side can speak for longer. I am sure that all members of this place will wish to exercise their right to speak on this motion. Although my mathematics are not brilliant, we are looking at approximately 25 hours of debate if every member exercises his or her right to speak to the motion. We have already heard a contradiction from the Leader of the House when he said members would be given as much time as it takes to debate the motion yet will be allowed only today in which to do so.

The National Party cannot accept the limitation imposed by the Leader of the House on this proposed debate. I assume he has imposed that limitation with the support of the Government; that is, that this matter be fully debated today. Should even half the members exercise their right to speak, and acknowledging that the Premier will probably speak for longer than 30 minutes as lead speaker for the Government and the Leader of the Opposition will exercise the same right, one would expect about 14 hours of debate even if only half of the members in this place wish to address this issue.

Were I in Government and the Leader of the House, I would make it very clear that this matter should be debated for as long as is necessary, and I would not place on the debate the proviso which the Government has placed on it, namely, that every member can speak on this matter and the debate will not be limited, but it must be concluded today. That is not

appropriate, given the seriousness of this issue. I would prefer the Leader of the House and the Premier to rethink this situation and to make it clear that this debate shall last for as long as the members who are prepared to speak are able to do so, and shall come to an end only when those members have concluded their speeches.

MR THOMPSON (Darling Range) [2.11 pm]: It is inappropriate to expect this House to debate in one day the report of the Royal Commission into Commercial Activities of Government and Other Matters. Indeed, I suggest that if we attempt to debate this matter today, many speeches will be made in the wee hours of tomorrow morning. The public, who have spent \$30 million on the Royal Commission, would think it inappropriate for their members of Parliament to discuss this matter when everyone else in the community was asleep and when they would expect us to be asleep - and most of us probably will be anyway! It is more appropriate that we debate this matter until the normal adjournment time of 11.00 pm and that we continue this debate tomorrow, but we should not go beyond that point. There should be a bit of give and take on both sides. The Government has agreed to devote to the debate all of this sitting day, which it might otherwise have used to deal with much needed legislation, and the Opposition will have to give up its private member's day tomorrow, and that is a fair contribution for it to make. The debate on this matter should not be confined to today. However, it should not go beyond tomorrow. It is only fair that the Government should have Thursday on which to debate legislation.

MR LEWIS (Applecross) [2.12 pm]: I am outraged to think that after nearly two years of a Royal Commission which had 15 terms of reference and produced a six volume report, the Government and the Leader of the House would insult this Parliament and the public of Western Australia by allocating only one day to the debate on this major issue. This Parliament should have the opportunity of dealing fully with the shame that the disclosures of the Royal Commission have brought on the Government, and it should also have the opportunity of moving a sequence of motions, where appropriate, to drive home that shame which is manifested by this report. Neither I, the Opposition nor the public of Western Australia are prepared to accept in any shape or form that we should sit past 11.00 pm until 5.00 am or 6.00 am to dispose of this debate so that the Government can again run away from its responsibilities. The Government should face up to the fact that this is the most important matter that has been dealt with in this Parliament in the six or so years that I have been in this place. This debate should be an open ended debate. The Opposition is not prepared to surrender private members' day, which is the only four hour window that it has in this Parliament once a week to debate matters of importance to it and to the Independents. We are not prepared to be pushed around by this Government. This is a disgraced Government, and this matter should be debated for as long as is necessary.

DR LAWRENCE (Glendalough - Premier) [2.14 pm]: It is clear that it is the Government's intention that this matter be debated to its conclusion. There is no suggestion that we would attempt to gag this debate. The member for Darling Range has offered a reasonable compromise; namely, that we debate this matter until a reasonable hour this evening. I would not necessarily see that as being 11.00 pm, given the fact that we are approaching the end of the parliamentary session, and also that I have been told by the media in recent days that the Liberal Party is keen to sit on Mondays and Fridays, although I suggest it check with its coalition partner about whether it favours that idea, because I rather doubt that it does. I was astounded when the Opposition said two weeks ago that it did not want to debate the report of the Royal Commission the next day or the following day but wanted to leave the debate in abeyance for a fortnight. We are prepared to accommodate that desire today by using the Government's time, quite properly, to debate this matter to its conclusion. If all members opposite wish to speak on this matter, they can certainly do that. However, I suggest that some discipline will be needed, otherwise members will end up being repetitious.

I suggest that given the seriousness of the matter, if we do not conclude the debate by a reasonable time tonight or early tomorrow, private members' day tomorrow may also be used for that purpose. I say that as much as anything because the Opposition has given notice of at least one motion of which I am aware which pertains to the matters contained in the report of the Royal Commission, and I presume it will want to debate that matter tomorrow afternoon. Perhaps that matter can be discussed further with the Opposition. We do not intend to attempt to gag the debate. We want all members to have the opportunity of putting

their views. However, the member for Applecross has indicated that the priority of the Opposition is such that members do not want to stay up late and they do not want to use their own time. We say members opposite should stay up late and they should use their own time.

MR C.J. BARNETT (Cottesloe - Deputy Leader of the Opposition) [2.16 pm]: In the interests of progressing this debate, I suggest that the Leader of the House take out of his motion any reference to the word "today" -

Mr Ripper: Where is that reference?

MR C.J. BARNETT: The Leader of the House's motion to suspend Standing Orders refers to the debate for the course of the day, or words to that effect.

Mr Ripper: I have given you a copy of the motion. Where is the word "today"?

MR C.J. BARNETT: The Leader of the House has given us a copy of his substantive motion. I am referring to the motion to suspend Standing Orders.

The SPEAKER: Order! I point out to the Deputy Leader of the Opposition that he is not speaking for a second time on this motion. I am inclined to think that he was only asking a question on his first occasion. We are debating the motion that Standing Orders be suspended, and in order for that motion to be successful we will need an absolute majority. Nowhere in the motion do I see a time limit, other than the words, "and for the time limits relating to a substantive motion to apply to the debate on that motion."

MR C.J. BARNETT: Mr Speaker, I thank you for that clarification. I certainly heard the Leader of the House refer to this debate being for the course of the day, and that was the point that I raised. Were the Leader of the House to remove any reference to the time limits, we would be prepared to discuss behind the Chair the progress of the debate as the day goes on, so long as we are assured that the debate will not be guillotined at some stage.

Mr Ripper: Perhaps I can reply by way of interjection that there is no reference in the motion to "today". The Premier has proposed that private member's day tomorrow be used to bring the debate to a conclusion.

MR COURT (Nedlands - Leader of the Opposition) [2.20 pm]: Two weeks ago when the report of the Royal Commission was brought down it was made clear to us that we would have as much time as necessary to debate the matter in the Parliament. Now, two weeks later, the Government wants to get rid of the issue in a day. It says that it wants to get the matter out of the way because it does not want to debate it for too long. It is our right to move private members' business and I can assure the Government that we will also be debating matters related to this report. However, if members opposite want to cut off debate on the report, that will confirm what the whole issue is all about.

Mr D.L. Smith: We are not cutting off debate.

MR COURT: The Government does not want to subject itself to the scrutiny of the Parliament. If the Leader of the House had understood the situation instead of saying that the matter will go through in one day, if he is prepared to accept a full debate he must allow time to do that. His management of the House has been appalling. In the 10 years I have been in this place the design by the Government has been to have less time to debate such issues. The Leader of the House always talks about time management, and here we go again. On 26 April the Premier commented that she wanted to move towards better sitting hours. This is part of the whole push to change the sitting hours and to have less time to debate these subjects. When the Premier came to office we stopped sitting on Wednesday nights. Now we have come here to debate the Royal Commission report but at the first opportunity the Premier has said that the Government wants the matter out of the way today.

Dr Lawrence: Let's get on with it!

MR COURT: We will not be able to complete this debate in one day.

Several members interjected.

Dr Lawrence: We have tomorrow, Thursday and next week.

MR COURT: The Leader of the House has said he will allow time today only for this debate. Is he changing his mind?

Mr Ripper: We have time today to debate the motion. As the Premier has indicated, it can

be concluded in private members' time tomorrow, so we have a considerable amount of parliamentary time to debate it.

Mr COURT: Is the Leader saying that he will use private members' time to debate the report? Come on! The Government has learnt nothing!

Several members interjected.

The SPEAKER: Order!

MR DONOVAN (Morley) [2.23 pm]: In view of your comments about this motion, Mr Speaker, I have no hesitation in supporting the motion as it stands. The Leader of the House has expressed what I would regard as a preference, as it is not embodied anywhere in the motion, just as the Opposition has vociferously expressed the reverse preference. I point out to the House that at 10 o'clock, 11 o'clock or 12 o'clock this evening it will be open to any member to move the adjournment. It is equally open to the House tomorrow morning to bring on the matter again. My judgment is that, depending on what time tomorrow such a motion is moved, the arithmetic of this House is that such a motion would be supported one way or the other. That is probably not an unreasonable outcome. I know there may be reservations about it, but it seems fair and reasonable that if all members of this House are as serious as they sound about debating this matter to its fullest then the trade between Government time today and tomorrow morning and private members' time tomorrow afternoon is quite a reasonable trade given the importance members have attached to the motion. I have no difficulty with the motion. I have no difficulty with the House adjourning at 11 o'clock tonight. I am sure no-one will have difficulty in bringing the matter back tomorrow either at 11.00 am or 1.00 pm.

MR BLAIKIE (Vasse) [2.24 pm]: Parliament started at two o'clock, and it is now 2.25 pm and it is unfortunate that we have made no progress. One problem is that the Government has changed its Leader of the House, and the new Leader has changed the ground rules regarding an undertaking given by the Government two weeks ago.

The Royal Commission report will go down in history as the most important report that this Parliament has ever considered. Never in the history of this place have we seen so many former Premiers involved in a Royal Commission report. That fact makes it a very serious situation. In his preamble to his comments the Leader of the House indicated that he hoped that the debate on this matter would conclude today or this evening. At worst, one would assume that the Leader of the House was echoing the sentiments of the Government. At best, I am prepared to give the Leader of the House the benefit of the doubt, realising that he is a novice and does not know how to play the game of managing the House properly; he has muffed it at his first chance.

The Premier said that unlimited time would be available, so the Leader of the House has an obligation to ensure that that commitment is kept and that unlimited time is made available to consider the Royal Commission report. I repeat that this Royal Commission report will go down in history as the most important one ever considered. The comment by the Leader of the House that he expected the matter to be concluded tonight shows his political innocence and naivety.

Question put and passed with an absolute majority.

MOTION - ROYAL COMMISSION INTO COMMERCIAL ACTIVITIES OF GOVERNMENT AND OTHER MATTERS REPORT

Debate and Thanks to Commissioners and Commission Staff

DR LAWRENCE (Glendalough - Premier) [2.28 pm]: I move -

That the report of the Royal Commission into Commercial Activities of Government and Other Matters be noted and that the commissioners and commission staff be thanked for their diligent efforts on behalf of the people of Western Australia.

In moving the motion in such broad terms we deliberately ensured that members would have every opportunity to debate all elements of the Royal Commission reports and its proceedings and, in addition, to make clear at this stage the view of the Government and, I hope, the House in thanking the commissioners for the work they have done. Depending on

when the second report comes down we may not have that opportunity in Parliament at the time the commission concludes. Therefore, I thought it important that we debate this report at the first available opportunity.

Since it has been raised in the kerfuffle over the move to suspend Standing Orders, I should make the point that we are not trying to restrict debate on this matter. However, it is a reality that if debate goes on late tonight and tomorrow it will inevitably mean some movement in private members' time. Members opposite, I am sure, are not so naive that they would think otherwise. It is important that the whole of Parliament recognise the seriousness of this debate and, as the Government is doing, is prepared to put its time and effort into ensuring full and intensive debate on this matter.

As indicated earlier, I was surprised that the Opposition was not prepared immediately following the tabling of the report at least to make some response to its findings. Rather, the Opposition has chosen this lengthy delay. I suppose from the point of view of political tactics it might seem wise but it means that the urgency and immediacy of the issues raised were not given due attention. We are now coming very close to the time when the Royal Commission will bring down its second report which, in my view, is the key report in relation to what must be done in this State in future.

As I already have had an opportunity, both in Parliament and outside, to comment on the Royal Commission report, I shall make a few broad points on the important lessons to be learnt from the Royal Commission. It is no secret to this Parliament that in making a decision to call the Royal Commission I was advised from many quarters; indeed, my own counsel suggested caution. I was counselled against appointing the commission. Indeed, I believed that the substantial cost and the possible detrimental effects on possible criminal prosecutions and the civil recovery of losses to the State were all aspects which had to be weighed up carefully before a decision was made. I made that decision taking into account the views of members of Parliament, my party and the public.

The effects of the commission hearings - which we called - regarding the first report and the legal proceedings remain to be seen; however, the financial and political costs are there for all to see, as they have been acknowledged and acted upon.

I repeat, once the decision was made to call a Royal Commission, it was provided with extraordinary powers, which - at the moment and in time - people may have cause to re-examine. The commission was provided with resources second to none in this country, given its relatively brief time frame when compared to, say, the Aboriginal Deaths in Custody Royal Commission.

In many respects the commissioners were given a task which was seen to be impossible, as its terms of reference covered events ranging from a previous Liberal administration to 1989. The commission considered the commercial activities of Government in various spheres involving many statutory agencies, public servants, Ministers, members of the Opposition, public corporations, lawyers, accountants and a great many other people. The commission made certain decisions regarding its procedures for public hearings, and these meant that during the past two years - quite apart from the report - the public and the Parliament have had the opportunity to examine in process the evidence before the commission, as well as the summing up of the counsel assisting the commission; some of which were, although some were not, supported by the commissioners in their report.

The commission has had a task of great complexity, which will be of interest to subsequent generations of parliamentarians and Western Australians regarding how it conducted its business. Although most of us recognise and wish to thank the Royal Commissioners for their diligence in exercising their task, some people will question their approach. For instance, I note that both the Speaker and the President have expressed some concern about views expressed in relation to parliamentary privilege. Some lawyers in the community have expressed doubt about the wide ranging nature of the powers and their possible effects on individual reputations. The debate on these matters should not be stifled. Neither the Parliament nor anyone in the community should say to someone who objects to the processes, procedures or outcomes of the commission, that they do not have a right to speak. The commissioners themselves want the commission to be subjected to the same scrutiny to which they recommend the Government and the Parliament should be subjected. This will be to the benefit of future Royal Commissions.

I hope the legal community and the Parliament will examine not only the findings of the Royal Commission, but Royal Commissions generally so that the lessons learnt from this commission will be enshrined in future legislation for the benefit of future commissions. However, it is premature for these discussions to be advanced very far. I note that views have been expressed regarding the commissioners, the commission's powers and its relationship with Parliament, and these must be canvassed in due course.

Nevertheless, I indicate my admiration for the commissioners, firstly, for agreeing in the first place to undertake a very difficult task, which I believe dismayed them when they realised its breadth and scope. The staff of the commission have laboured long and hard. Some people may dispute the outcomes from the process, but few would be churlish enough not to recognise the extreme duress under which the commission operated; it operated for long hours, and many people devoted a substantial slice of their lives to the service of the Royal Commission. It is appropriate for us to thank them for their efforts, knowing how important it was to the people of Western Australia that the task was done as effectively as possible.

For the benefit of the member for Jandakot, I indicate that it is important that people be allowed to express points of view about the outcomes of the commission; be it within this Chamber or elsewhere, I support the right of any individual to do so. I support my brother's right to do so, although I disagree with his views. I support the right of the President and the Speaker to express their views, and it is important for us all to weigh those matters carefully.

The commissioners have done their very best to reconstruct a series of complex transactions which occurred, in some cases, 10 years ago. Obviously, under other terms of reference they examined more recent events. To conduct those tasks the commissioners were provided with unprecedented resources, which were the envy of many Government departments. I believe the library is keen to obtain the commission's record-keeping mechanism, which was complex indeed. It was provided with legal and accounting expertise to help in the examination of key witnesses, and substantial power was provided to enable the commissioners to undertake a rigorous analysis of evidence provided.

In some areas the task of the commissioners was made more difficult by, for instance, the death of key witnesses. Near the front of the report is an interesting schedule indicating how many witnesses were unavailable to the commission as a result of death, moving out of the country, or some other reason.

Also, the commission's task was made more difficult due in some cases to the inadequacy of records and memory failures. Many of the commercial practices of the time relied upon ambiguity and obfuscation; in fact, I was surprised in many cases that the commission was able to do such a good job of reconstructing the records of some of the failed companies. This presents a lesson to all auditors and lawyers in this State who were involved in the process of signing off accounts at the end of the year, even though the accounts were shown to be quite misleading to the Government, the public and the Parliament. Under those circumstances, the findings made in the light of events and information available to the commission should be heeded.

Nevertheless, I respect the right of individuals to dissent from the commission's view; however, in the absence of compelling evidence to the contrary, the commission's findings represent the best we have regarding laying bare the facts of the matter. Those who are uncomfortable with that view are denying the right of members of our community to free speech.

The first report is clearly a watershed. Undoubtedly, the Opposition will want to go through it in great detail to target specific individuals, members of Cabinet, members of Parliament, and others, because I suppose that is what Oppositions are bound to do.

Mr Lewis: It is their duty.

Dr LAWRENCE: I said "bound to do"; what does the member think a duty is?

It is important that in the process we distil a clear set of principles which will either form the basis of future legislative practices or be recommendations to the private sector. We must consider the checks and balances which must operate in Parliament itself, as well as the ethics and procedures operating in the private sector regarding its accounting. Those lessons must be distilled.

Members will be aware that I have already acted in direct response to the commission's report. Firstly, I have ensured that those persons in the public sector who were the subject of adverse comments have been stood down by way of taking leave, during which time their behaviour which was the subject of the findings of the commission will be subject to close scrutiny. That will ensure fairness and justice. The politicians of the day will have no say in that scrutiny that needs to be done carefully and fairly. I for one would not want to see members of the Public Service, who by and large have served this State exceedingly well, subjected to criticism and scrutiny and, in this case, consequences which are not commensurate with the nature of the problem identified by the commission. That is not a judgment that should be made by the Parliament; it is one properly made finally by the Public Service Commissioner upon advice and after examination of those matters.

Members of Parliament would be well aware that two members of the Cabinet have resigned and that the Labor Party has repaid a donation which was unwittingly sourced from taxpayers' funds. The most difficult decisions - although they may have been painful for the members I have just outlined - may well come from the commission's final report; difficult because they will require a careful and systematic analysis of the State's institutions. Although others may wish to speculate publicly about precisely what the commission's second report will contain, it is important that we do not make up our minds on that issue prematurely.

Mr Court: Didn't you say that you were going to support the second report of the Royal Commission?

Dr LAWRENCE: The Leader of the Opposition was not listening to me. I said it is important that we do not anticipate the findings and make up our minds prematurely on what the second report might contain.

Mr Court: You said you would support the report.

Dr LAWRENCE: I have not said it as unequivocally as that. I said it is important that we act on those recommendations. The Parliament, however, will be the final arbiter in most cases of precisely how those matters will be brought forward. It should exercise a little caution, and I indicated that in a recent statement. If some of the recommendations are overly complicated or legalistic and remove power from the Parliament, I hope the Parliament will examine a recommendation of that kind very carefully before it necessarily acquiesces.

Mr Court interjected.

Dr LAWRENCE: I know that both the Opposition and the Government in Queensland made that comment, and they have been saddled - they would agree - with some mechanisms that are not only extremely expensive but also very slow. They do not necessarily avoid the need for agreement in the Parliament for legislative provisions, but simply delay its implementation.

Mr Court: Mr Sturgess said the Fitzgerald Inquiry's recommendations were scandalous.

Dr LAWRENCE: That is Mr Sturgess' view. There is a need for caution, and in a recent statement I urged the community at large, including the Parliament, to look carefully at the recommendations of the Royal Commission. It is clear that they will, as we must, distil from the first report and the events described therein, very clear principles that should guide future behaviour in the Parliament, in the Government, and the community. However, the mechanisms suggested for remedying those problems may or may not finally achieve support either from the community at large or from the Parliament. I certainly would not want to usurp the policy making legislative role of the Parliament. Nonetheless, given what the commissioners have seen and observed, the advice they have taken, and the submissions they have had from the community, it is likely that the substantial changes which I believe will be recommended in the commission's second report will form the basis for measures that the Parliament will endorse. One did not need to be a genius to anticipate those matters that were referred to by the Royal Commission as forming a reference for the second report; many of those are matters on which the Government has already acted. I intend today to outline briefly some of those measures, and some that the Government anticipates. I am not saying they will necessarily form in every case the basis of the action, but we must distil from the first report some very important lessons.

Quite clearly if one looks at the commission's first report and the material that it put out in the public arena relating to submissions for the second report, the Government and the Parliament should address the commission's proposed three objectives for reform. Those objectives are ones that we can all endorse: Firstly, to maintain public confidence in the integrity in our system of government and in its officers and agencies. That is a principle that we can all endorse that certainly flows from the findings and the events that have been unfolding in the first report. Secondly, to ensure the accountability of the Executive Government and its agencies to the Parliament and to the people of Western Australia. Again, that is an uncontroversial goal. Thirdly, to allow Government to govern effectively, but in accordance with the constitutional obligation to act in the public interest. I note that there were occasions, according to the commissioners, when they believed that decisions had not been made in the public interest, but had been made rather for a shorter term political gain. There must be an element of reality in looking at that third principle because there clearly must be an overriding objective of public interest, but occasionally the distinction between public interest and political motivation will be rather blurred since the Government is the policy making body of the day. I will go through those objectives in turn and the ways in which they might be met, and the ways in which the Government is already moving to meet them.

The first is the integrity of Parliament and of our system of Government. One of the principles that the Government has pushed for a very long time, and one which has been persistently objected to by the Opposition, but which I believe is fundamental to a faith in our democracy - I will be surprised if the commissioners do not comment on this term of reference - is the present electoral system which provides for vote weighting. Members opposite will probably not want to endorse a proposition to remove vote weighting from our electoral system. They have consistently refused to do so in the past. For electors to have faith in the integrity of the system requires them to have the view that each vote is equal to each other within the districts to which they apply.

Mr Court: If the Opposition gets 52 per cent of the vote, is that vote weighting?

Dr LAWRENCE: Western Australia has a district system of elections. That means that from time to time the overall popular vote will not be reflected in the number of seats held. Every member of this Parliament knows that to be the case and to propose otherwise is ridiculous. Members opposite cannot dodge the fact that for 100 years Western Australia's electoral system, in the eyes of the rest of the country, has been frankly short of what is required in a democracy. The principle of one-vote-one-value has been endorsed by the Australian Labor Party for at least that long, and resisted by both the Opposition parties for at least that long. I will watch with interest to see, firstly-

Mr Cowan: The Government has been acting improperly.

The DEPUTY SPEAKER: Order!

Mr Cowan: Go back to that, it is not what the Premier is talking about.

The DEPUTY SPEAKER: Order!

Mr Cowan: Go back to the issue Premier, and stop running for cover.

The DEPUTY SPEAKER: Order! Leader of the National Party, I called for order several times during your lengthy interjection. On those grounds you are not observing the normal convention of resisting interjections until a suitable break in the speech.

Dr LAWRENCE: Thank you, Mr Deputy Speaker. The observation of the Leader of the National Party deserves some response. I took the opportunity immediately the report was tabled, as the member for Merredin would know, to make a statement to this House, and I have made many public statements as well. That is an opportunity perhaps not provided for by the Leader of the National Party. I am interested that he has been largely silent in the public arena on this matter over the ensuing two weeks. That is a matter for the Leader of the National Party.

Mr Cowan: Over what matter?

Dr LAWRENCE: The Royal Commission report. It is a matter for the Leader of the National Party how and when he wishes to pursue the issue. It is important that the specifics of this report be debated. I have done that in part in this Parliament and a debate will go on

presumably all of today and all of tonight. I will make clear the lessons to be learnt, and the debate will permit that, because the Government framed the motion in such a way that it could cover almost any matter related to the Royal Commission.

Mr Lewis: Aren't you clever?

Dr LAWRENCE: I thought it might assist the member for Applecross because he usually manages to wander off the track within about 30 seconds; so it should accommodate his proclivity for doing that. That is an issue which I am sure will be ducked by members opposite, but it cannot continue to be. If the parliamentary system is to have the respect of the community the first principle of equal vote weighting in both Houses of Parliament is essential. Secondly, when talking about the integrity of Parliament one matter which should not be resisted by members of this Parliament is the declaration of pecuniary interests. Again I note that members opposite have consistently refused to consider the matter one of seriousness. Indeed, listening to them in debate in this House one would have to conclude that they were not serious at all and wanted to prevent the declaration of such interests. The amendments suggested by the Opposition, including the National Party, provide that the declaration of pecuniary interests should remain a secret and only those people who have reason to suspect conflict of interest would be able to apply to see that information. One of the lessons to be learnt from the Royal Commission report that we are now debating is that members of Parliament must observe a different standard of behaviour and demonstrate their financial and other positions so clearly that no-one will have any doubt about whether members have a particular financial interest in a matter or whether some political or other party advantage is to be gained.

Mr Cowan interjected

Dr LAWRENCE: The Leader of the National Party has not read the report if he has not concluded that in its findings. Thirdly, it is absolutely essential - this is a matter that has been dealt with in Parliament by the Standing Orders Committee - that codes of conduct be in place for all members of this House. One has already been put in place for Ministers. It is essential that that code of conduct can be referred to by members of Parliament. Members of the public should be able to refer to it and use it as a standard against which to judge the behaviour of members of Parliament. Another important point in maintaining the integrity of Parliament is to ensure due process principles for committees. When committees hear matters of controversy or contention it should be essential that people have confidence in the fairness of proceedings of committees. At present there does not appear to be any protection in the Standing Orders for witnesses and people referred to in proceedings of Standing Committees. Natural justice must be done and fairness must be observed if committees are to be given the trust of not only the rest of Parliament, but also the community. The move towards public access to those committees, while it may occasionally cause discomfort to some witnesses, is a move consistent with that, but it must be accompanied by fair procedures and processes for witnesses.

We are talking about not only the integrity of Parliament and its members, but also the machinery of Parliament. A number of improvements can be made. Members will remember that the Parliament is described in the Royal Commission report as "having failed in its duty".

Mr Cowan interjected.

Dr LAWRENCE: I have a bit of time; I will go through them systematically.

Mr Wiese: You do not want to talk about your own performance.

Dr LAWRENCE: It may suit members of the National Party to attempt to shoot me down on this issue, but it is important we look at the principles. I enunciated those three principles to the Royal Commission itself. I am, quite properly, attempting to indicate to the House ways in which the events and conclusions of the first Royal Commission report should guide us with future changes. If that is not a matter which members want to debate seriously, members of the Western Australian community would be gravely disappointed in them. The machinery of Parliament is required for all parties and for all independent members to ensure that they can properly scrutinise the Government of the day and confidently say to their electors that they have properly discharged their duties. Some impediments to that were identified in the Royal Commission; others were simply referred to obliquely. Complaints

have been made from time to time by members opposite about the inadequacy of question time; for example, the fact that the Government uses dorothea dixers to prevent the Opposition's asking questions. I have heard that complaint about most Parliaments in this country. However, a first step towards improving that position may be to insist on a minimum number of questions being asked during question time and a minimum number being made available to the Opposition so that it can ensure that scrutiny takes place through that mechanism. However, I am sure that none of us is naive enough to believe that question time will be used solely for that purpose. Given that it is a question without notice that is required, it is often the case that other more formal mechanisms will be needed.

A second issue concerning the machinery of Parliament which should be addressed is how officers of Parliament are appointed. Since I became Premier I have consulted members of the Opposition on the appointment of the Ombudsman and the Auditor General. That matter must be finally resolved so that parliamentary officers are properly appointed by way of Parliament, although that would need to be exercised carefully. It is also important that we provide for the independence of Parliament. The Cabinet has already agreed to do that by way of a separate Budget allocation for both the Council and the Assembly. In other words, while the bids for the Budget would still remain under the control of the Government of the day, separate allocations would be made through separate Bills to provide appropriations for them. That is a view shared by Cabinet and one which I hope will be enshrined in next year's Budget papers.

Mrs Edwardes: Why was it not done this year?

Dr LAWRENCE: Because it was not; one issue at a time. I hope that will now become a feature of this Parliament. It should provide an improvement - I do not think one can point to any one Government in this respect - in the resources available to this Parliament, particularly to the committees. Without being disrespectful to the staff who work for those committees, it is quite clear that research and other staff are simply not at the same level as those people they are required to scrutinise. When it comes to dealing with the Auditor General or the Under Treasurer it is important that staff on committees be suitable for the task. One way to achieve that outcome may be to rotate senior members from Treasury, or for that matter the Auditor General's department, to assist the committees to improve their standards. That requires from members also - I have sat on some of those committees - a degree of commitment.

Mr Lewis: We remember.

Dr LAWRENCE: I remember the member for Applecross, too. That commitment is not always evident in their attention to the scrutiny of matters which come before them. There is obviously a temptation to use such committees for party political purposes rather than for research and scrutiny. It is important, as a Parliament and a Government, that we seek to improve the performance of those committees and their ability to scrutinise the Executive and the Parliament to ensure that the committee system suits the functions of the Parliament. It must be able to deal with the very senior officers in Government and in the private sector and be assisted in research, library and other facilities.

While I am talking about the integrity of the system of Government - this is another goal of the Royal Commission - it is inevitable, especially given the findings of the Royal Commission, that the question of electoral funding be raised. By the next election we should have clear disclosure of funding, resources and expenditure of all parties, candidates and political action groups, no matter what their political colour or origin. To achieve anything less than that by the next election would be dereliction. I know that the Labor Party in its fundraising campaigns at the moment is ensuring that any approach to any individual or body is made on the basis that full disclosure will be required whether under the State or Federal Acts. All people are warned accordingly. All members and candidates have been given quite explicit instructions that they must keep records in a form consistent with that legislation and which provides for scrutiny by the State Secretary of the party. All potential donors are informed in that way.

Mr Lewis: Your hypocrisy disgusts me.

Dr LAWRENCE: I would not be too moralistic about that. Members opposite have persistently and consistently refused -

Mr Lewis interjected.

The DEPUTY SPEAKER: Order!

Dr LAWRENCE: In some respects, some of the matters subject to the Royal Commission would not have occurred had this legislation been through the Parliament. Just in case the member for Applecross thinks the word hypocrite should be applied to the Government, I ask him to examine recent reports relating to the Liberal Party's current fundraising activities. A letter was sent out by the President of the party, Mr Hassell, which clearly asks for donations from members of the public.

Mr Lewis: What is wrong with that?

Dr LAWRENCE: There is nothing at all wrong with that; it is a proper part of our political process. However, what is not said in the letter is that those donations will be required to be disclosed.

Mr Court: If you did your homework you would know that they must do that by law.

Dr LAWRENCE: No warning is given to potential donors of that. The only reference made is that the advent of disclosure legislation has reduced or cut off previous sources of supply. That shows the attitude of the Liberal Party towards the disclosure of donations. Members of the Liberal Party regard it as an irritant rather than a necessary remedy for which the Government has been pushing for some time. If the member for Applecross wants to feel moral outrage at this matter, he should look at the behaviour of his own fundraisers, in this case the president of his own party. It is essential in this parliamentary sitting that the disclosure legislation is passed and that members examine in the course of events, probably following the second Royal Commission report, the question of whether limits should be placed on the amount of funding which candidates can spend.

Clearly, the very large donations referred to in the first Royal Commission report must be the subject of disquiet and speculation. Although the commission found nothing in particular to relate events of Government decision making to those donations, it remained concerned about that.

Mr Lewis interjected.

Dr LAWRENCE: I am not trying to duck that issue at all. Members opposite need to read the relevant section of the commission's report. I do not condone the existence of a leader's account, the very large size of those donations, nor the conjunction of events; that is, the receiving of donations and the making of certain Government decisions. That in itself is a serious problem and every member of this House would agree with that conclusion.

What are the solutions? Firstly, there must be proper disclosure. Secondly, not only must there be disclosure, but also the Parliament should seriously examine whether limits should be placed on the size of donations that are made in this community, on requests that are made for donations and, indeed, on the sort of expenditure that can be made from those donations. Limiting the size of any individual donation may be a remedy which is available to this Parliament. Limiting the expenditure on certain forms of advertising may be another option that this Parliament could consider. Ensuring some degree of national uniformity would also assist in that process. As members would know, variations exist between the legislative provisions in each State, and between the States and the Commonwealth. There is some prospect for parties, if not to dodge the question of disclosure - as would apparently be the motivation of the Liberal Party - certainly to have that perception about any donations that might be made. I take this opportunity to inform the Parliament, and the member for Applecross in particular, that I have placed on the Premiers' Conference agenda notice that I intend to bring up the matter of the disclosure of donations because it is an area, in which national and uniform legislation is required.

Mr Wiese: Will you keep the Parliament informed of the methods and what will be laid down from that proposal?

Dr LAWRENCE: Yes; I am happy to do that. At this stage the discussions would be preliminary, but I am certainly happy to keep the House informed of that matter.

Ensuring some uniformity on that question will also assist in the integrity of the Parliament and the political system. A number of other matters deserve attention; some have already

been the subject of action. All parties in this House, the Liberal and National parties, and the Independents, as well as the Government, have taken part in a review of the Official Corruption Commission Act and the role of the Official Corruption Commission. They have agreed on the principles and the legislative requirements to ensure proper treatment of official corruption in this State. Although, in the light of the Royal Commission's second report members may wish to make further adjustments to that, there now exists the support of all parties which is necessary for that system to work effectively. Of course, part of that is the requirement that people who make complaints, so-called whistleblowers, are properly protected. That is essential if the sorts of excesses which occurred in the 1980s are not to be repeated. Public servants and others have a clear mechanism by which they can make a complaint if they believe matters of official corruption or dereliction of duty are involved, and those complaints will then be systematically investigated in a way that ensures that those matters will be dealt with at the time they arise and not, as we have seen here, after a very long period.

I am sure Opposition members do not want to hear this because they believe this is an opportunity for scoring points rather than solving problems. One of the other problems which must be addressed, and which I hope the Parliament will address, is the question of freedom of information. If information had been available on the public record about some of these matters and if access to documents had been available to members of the public -

Mr Court: If the truth had been told in the Parliament.

Mr D.L. Smith: If all that the Leader of the Opposition knew had been revealed to the Parliament.

Dr LAWRENCE: Exactly. The Leader of the Opposition must be careful about what he did and did not tell the Parliament, how sensitive he is about that, and what the commission thinks of him.

The freedom of information legislation will provide a clear opportunity to ensure that matters that are properly in the public arena and need to be investigated either by the media, the Parliament or others with an interest, can be disclosed through that legislation. The legislation has very broad provisions and, apart from some amendments which have been suggested by the member for Floreat, most of the provisions requested by the Opposition have been incorporated into the Bill. I hope that this important legislation is not stonewalled, but is facilitated through the Parliament.

Mr Lewis: What a hypocrite!

Mr Court interjected.

Dr LAWRENCE: It may suit members of the Opposition to call me names. I am not sure whether being called a hypocrite is unparliamentary, but I have come to expect no less from the member for Applecross. Therefore, I do not propose to object to the behaviour which is so typical of the member for Applecross that he does not know how to behave in any other way.

This is a very important issue and one which I hope will receive the cooperation of the Opposition to achieve. A number of other matters will need to be addressed, particularly in relation to the accountability of agencies and public sector provisions which the Government is addressing through a corporatisation policy, legislative change, performance agreements and things of that kind.

Mr Court: You have the same political advisers.

Dr LAWRENCE: Since the issue of public sector appointments has been raised in an oblique way by the Leader of the Opposition, I hope that members will take note of the report by the Auditor General into the Public Service Commission's human resources management which will be tabled at some time. I am not sure when he will do that, but he has had a good look at that question.

Mr Lewis: How do you know about that?

Dr LAWRENCE: He has said very publicly that that is what he is doing.

Mr Lewis: How do you know the substance of the report?

Dr LAWRENCE: I did not say I did. I simply said that I hoped members opposite would look carefully at it.

Mr Lewis: You were implying that you knew about that.

Dr LAWRENCE: I am aware of the fact that such a report has been undertaken.

Mr Lewis: That is another thing; the Auditor General should report to you.

Dr LAWRENCE: He does not report to me, he reports to the Parliament. That is why I said I hope members opposite will take proper notice of that report when it is tabled, whatever findings or conclusions the Auditor General has reached, because he is an officer properly given the responsibility, along with the Public Service Commissioner, of examining things such as human resources management in the public sector. I simply draw that matter to the Opposition's attention. The Speaker has a copy which he will table soon.

Mr Lewis: So you have seen it then?

Dr LAWRENCE: No; I have not.

The SPEAKER: I have just showed it to the Premier.

Dr LAWRENCE: I have seen it now. I am aware of the fact that the Auditor General has been conducting that examination for some time. I am also confident that members opposite will acknowledge, if they have any decency, that the procedures for recruiting and promoting members of the Public Service are undertaken in the most rigorous fashion, and that they are undertaken at arm's length from Government. We should not be cute about it; permanent public servants are required to meet the most stringent standards of appointment and recruitment, without Government involvement.

There has been a dramatic change in the way Government trading agencies are dealt with and the Ministers responsible insist on boards of stature and of high calibre being appointed principally from the business community - people who have the confidence of the people of Western Australia - who then appoint their senior executives and chief executive officers as properly they should. As we move towards commercialisation and corporatisation of those agencies, they are most definitely, in terms of their investment decisions, at arm's length from the Government, which they should be, to the extent that any ministerial direction is required to go through the board; and that is Government policy. We place our faith in the appointment of competent members of those boards and an appropriate legislative framework for the regulation and scrutiny under either the Companies Code or principles equivalent to it in order to ensure the proper administration of those Government trading agencies and Government financial institutions.

There is no doubt that serious mistakes were made in those matters or that serious mistakes were revealed by the Royal Commission. I am not trying to duck that; it is there in black and white for everybody to see. I am saying to members opposite that those lessons have been learned. The procedures applied to those agencies and financial institutions have been not only modified but also overhauled and the policies and principles underlying them have been enunciated publicly. In that respect, the Government is very much at arm's length while ensuring proper accountability because they are, in most cases, owned by and accountable to the people of Western Australia.

In relation to the public servants - those members of the public sector as defined by the Act - members will find the procedures of human resource management are absolutely adhered to. A second category of appointee is the so-called adviser, who has been a feature of the system in Australia since the time of Robert Menzies at least. It is characteristic of all Governments in this country and was employed by Liberal Governments. I am sure that W.W. Mitchell, for instance, was not a public servant and worked for the former Government as a political adviser and has continued to do so in various ways over the years that the Liberal Party has been in Opposition.

Mr Court: Who was that?

Dr LAWRENCE: W.W. Mitchell.

Mr Court: He was one political adviser for decades.

Dr LAWRENCE: If the Leader of the Opposition is suggesting that he wind back the clock on the availability of advisers, he will be making a grave mistake.

Mr Court: Give him a break.

Dr LAWRENCE: I am using him as an example. The key question is not whether there are term of Government or term of Minister appointees; there are, after all, term of the Leader of the Opposition appointees and term of the Leader of the National Party appointees. The issue is the relationship between those advisers and Ministers and between advisers and chief executive officers. That is a matter that is properly kept under scrutiny and, in my view, it is essential that all chief executive officers and heads of department have ready access to their Ministers, are easily able to advise them on key matters, and are not prevented from doing so by so-called political advisers who should facilitate communications between heads of departments and Ministers and not act in place of the Minister or the Premier of the day. Therefore, it is not the existence of those advisers which is an issue but, according to the commission, the role which some of them have played in the events outlined in the Royal Commission reports. That is an area about which care must be exercised not to diminish the office when it is the behaviour of individuals that is under question.

I know that members opposite need to make light of some of this, but they lost the plot two weeks ago. They had the opportunity to belt us around the head if they wished immediately following the report of the Royal Commission. However, they lost the momentum. They have no fire in their bellies. They go to the community and talk about the failures of the Government but they do not land any punches because they do not have a decent strategy for answering the questions.

Mr Court: Sit down and we will show you.

Dr LAWRENCE: I intend to finish shortly. However, it is important that this Parliament should not lose sight - the Government certainly will not lose sight - of the lessons of the eighties. It is there dissected for everybody, including the Government, the Opposition, the Independents, members of the legal fraternity, the financial community and those interested people who purchased the report and read it carefully, to see. It will continue to be dissected, analysed and commented upon, not just today or tomorrow in the Parliament and not just for this week or this month but for years to come. My point is not to revisit the commission's work. I have said that as far as I am concerned, given the resources the commission has had, the expertise it has provided and some of the limitations which I have mentioned, it is bound to have produced the best possible account on the largest number of issues. That is my view and the basis on which I will act. That does not mean, as members opposite want, that I should go back through each and every finding and each and every instance to seek to make some comment about that in my statement today. I have sought to be much more productive than that; that is, having read the report, what are the lessons to be learned from it and what are the things that we should be examining now and in the future? They are not peripheral matters but are systemic matters relating to the role of the Parliament, the resources of the Parliament, the state of our electoral system, the disclosure of political donations, the information that is available to the community, the behaviour of political advisers, the appointment procedures used in the public sector and the scrutiny of the Government trading enterprises and financial institutions. All of those matters have been thrown into sharp relief by the Royal Commission and I for one have not sought to duck that.

I know that the Opposition will now go through line by line and detail by detail, with its flensing knife as it was put by the member for Applecross, the Royal Commission's report. I hope that, in doing that, it does not lose sight of those key goals and objectives because if it does it will have lost the plot. It will not have learned anything from it either. The Government, which called the Royal Commission and resourced the Royal Commission, has accepted its findings in terms of actions taken to date and will further develop legislative and other reforms, building on what we have already done to make sure that neither the Parliament nor a Government of the future, nor the people of Western Australia will ever see a repeat either of the events of the 1980s in the public or private sector or a Royal Commission that will be required to go back through those events. We want matters debated on the day they occur or as soon as possible thereafter. We want matters of Government to be subject to scrutiny and matters of public interest to be debated at the time they occur and not to be the subject of an investigation into a decade of events which is a near impossible task and one which, I conclude by saying, we thank the commissioners and their staff for undertaking.

I hope that members opposite will not seek to go over old territory. The commissioners have done that already. I hope they will distil some lessons from the report apart from the ones they will want to distil; that is, their political future hinges on gaining some political capital from the report. I am sure they will do that, as they are entitled to do. However, if that is all they derive from it, they will have failed in the way that the commission said the Parliament and the Executive Government failed. I think we need to look at who failed. The Government of the day failed and was roundly and severely criticised; political parties failed and were roundly and seriously criticised; and individuals failed and were roundly and seriously criticised. However, it must be said also that the Parliament did not come out of it without some comment and, as parliamentarians, we have a responsibility to remedy that. I hope that at least the Opposition will conclude that there are matters that need attention beyond those of short term political advantage.

MR COURT (Nedlands - Leader of the Opposition) [3.20 pm]: If ever there was a guilty party, it is the Labor Party of Western Australia. It is too late for the Premier to get up in this place and say what the Government will do in the future because the report of the Royal Commission into Commercial Activities of Government and Other Matters reflects what it has done over the past decade. Two weeks ago the moment of truth arrived; that is, the tabling of the Royal Commission report. The Premier said that the Opposition should have debated this report the day after it was tabled and that is typical of the way in which the Government treats this Parliament. The report confirmed everything the Opposition has been saying over the past 10 years; that is, that the Labor Party in this State cannot be trusted in Government.

A member interjected.

Mr COURT: Members opposite said in this Parliament that the Burke-Dowding Governments were a great model which we should follow.

Dr Gallop: An independent Electoral Commission; an improved transport system - where were you?

Several members interjected.

The SPEAKER: Order!

Dr Gallop: Where were you when -

Mr COURT: The Minister for Fuel and Energy was the president of the party and he was taking the donations.

When tabling the Royal Commission report the Premier said in this Parliament that she was outraged! How does she think the hundreds of thousands of Western Australians feel? They have seen this State's previously fine reputation shattered as a result of her and her colleague's dealings in Cabinet. She may be outraged, but she was a member of the Cabinet which made those decisions. However, she came into this Parliament and said she was outraged by the scandalous dealings which took place. It is an insult to make that sort of comment when she was part of the team which must accept the collective responsibility for what occurred.

Several members interjected.

Mr COURT: Does the Minister for Fuel and Energy know what collective responsibility means?

Dr Gallop: You do not.

Mr COURT: I will come back to that. It was very interesting that last week the Premier went east to give the big speech to the Canberra Press Gallery about the Royal Commission. What did she say? She said the events of the 1980s were the Federal Government's fault because it did not give the State Governments enough money. It was exactly the same line the Minister for Fuel and Energy took four or five years ago when he said we had to find new and innovative ways of getting money to provide Government services. The Government found innovative ways of losing money! The Premier did not say last week - it is typical of the way the Government presents its case - that during those three years when most of the WA Inc deals in which the Government lost its money were done the total taxation revenue of this State soared by \$1.5 billion. Record levels of revenue were flowing into the

Government coffers at the time it was doing these deals. The Premier's argument that the Government was short of money hardly holds true. It was a time when the Government had record levels of collections from stamp duty, land tax, payroll tax and mining royalties.

Mrs Henderson: We were building schools, hospitals and family centres.

Mr COURT: Members opposite should get their story right. The Premier said that that was why the Government ran into those problems. It lost \$1.5 billion in its failed business deals and I hardly think that that builds family centres, schools and hospitals! Have members opposite been to Yanchep lately to look at the high school there? It used to be an asbestos high school, but now it is an asbestos school covered in tin.

The Premier and the Ministers who were in Cabinet when the WA Inc deals were done are as guilty as the Burkes, Parkers and Dowdings. They did not do anything when these deals were discussed and they did not accept their collective responsibility. Even when the real story was being made clear publicly, through the efforts of the Opposition and the belated efforts of the media, they did nothing.

It really has been a bizarre 10 years. Opposition members have sat in this Parliament and watched Burke, Dowding and now the current Premier acting out what has been a huge charade. They used their great propaganda machine to give the impression that they have been accountable to the public and that they are fine, upstanding citizens. When the Government ran into a problem it appointed the Burt Commission on Accountability. It considered it had not been accountable in the past, but it decided it would be accountable in the future. At the time the Government of the day said that, it was in the middle of some of the most scandalous deals this State has witnessed, including the Petrochemical Industries Co Ltd deal. While the members of Cabinet were supporting the PICL deal and others they were saying that they were now accountable and the events of the past would not be repeated.

When Brian Burke retired as Premier members opposite said flowery things about what a wonderful Premier he was.

Dr Gallop: The Leader of the Opposition did also.

Mr COURT: I know what the Leader of the Opposition said: It was words to the effect that history would be the judge of what he had done. I will quote from the editorial of *The West Australian* at the time Brian Burke retired -

It is likely to be some time before WA has another leader whose political influence is as pervasive as Brian Burke's has been in the past five years.

Mr Burke proved himself to be a consummate politician. Not only did he hold an ascendancy over this State's political process, but he also had a strong influence at a national level through his personal and ideological links with Mr Hawke and Mr Keating.

His skills as a communicator were unequalled in WA, his political nous and sense of timing were acute, his rapport with the average voter was the envy of leaders elsewhere and his mastery of debate, both in the Parliament and in the forums of his own party, was complete. During his time at the top, Mr Burke applied these qualities to re-shaping the public sector and its relationship with business.

Further on it states -

History will be the final judge of Brian Burke's Premiership. In the meantime, all West Australians should applaud this man who so enriched our society.

Do members opposite agree with those comments?

Several members interjected.

Mr Pearce: Of course we do.

Mr COURT: The member for Armadale supports these comments after what has come out in the Royal Commission report - page after page of improper conduct and of political donations being used for Mr Burke's personal use! Do members opposite believe that is the type of conduct we should have from Government in this State?

Mr Pearce: I do not think it is proper to be discussing in this place matters which have been referred to the Director of Public Prosecutions. The truth will be established in the courts.

You should be considering when in history these things occurred. You are now trying to say that the qualities of Brian Burke -

Mr COURT: I am not looking at this with hindsight. At the time of these deals we had already experienced the Fremantle Gas and Coke Co Ltd sham and the early Western Australian Exim Corporation Ltd deals which involved interest free loans to friends and relatives -

Dr Gallop: Friends and relatives?

Mr COURT: Does the Minister not know about the Goldrock Investments Pty Ltd deals?

Dr Gallop: Where is it in the report?

Mr COURT: I will come to that. The Royal Commission did not cover all of the Government's business dealings. The Government must be accountable for not only what is in the report, but also the other business undertakings which the Royal Commission did not investigate.

Several members interjected.

The SPEAKER: Order!

Mr COURT: Those things were being written when the members opposite were quite prepared -

Several members interjected.

The SPEAKER: Order! It is very difficult to get order when the people around the Leader of the Opposition, who has the call, are interjecting as loudly as the Minister and all of them collectively much louder than the Leader of the Opposition. It is not fair and proper. This debate has a long way to go; let us get the guidelines sorted out early in the piece.

Mr COURT: In the 1980s we were an Opposition fighting a Government that had millions of dollars at its disposal. It was able to run political campaigns on which it spent huge amounts of money for television, radio and newspaper advertising. It was a formidable task at that time to be in Opposition against such a well funded Government. We spent a great deal of time putting together all the facts about the different deals that have now been covered in this Royal Commission. It is with some pride that the Opposition reads the Royal Commission report and the debates recorded in *Hansard* during which we raised these matters. The Opposition got it right. When the Opposition put together all the facts - it was like a complicated jigsaw - it came up with the right conclusions.

Mr Pearce: You did not. You said that corruption was rife and the Royal Commission -

Mr COURT: I will get to the subject of corruption and how the Royal Commission handled that question in a moment.

Mr Catania: Do you not think they have handled it well?

Mr COURT: Yes, I do, and members opposite had better understand how it is handled in this report. The decade we have just been through during which the Labor Party has been in Government has been a period of dirty, grubby government. This State never wants the events of that decade repeated.

Mr Kobelke: How can you say that when you will not take responsibility for the stuff that comes from your office?

Mr COURT: I take responsibility for everything that comes from my office and if the member for Nollamara were listening he would know that it is the Premier who does not know what is in letters she signs.

Mr Pearce: You will not tell us what commitments have been made to your party.

Mr COURT: If the Government wants to spend the next couple of days debating donations to the Australian Labor Party and the Australian Liberal Party, it is quite welcome to. The Royal Commission has investigated all the donations to the Liberal Party and the Labor Party and, shock, horror, what did it find?

Mr P.J. Smith: It did not go through it all.

Mr COURT: What does the member for Bunbury mean? The Royal Commission went

through the whole damn lot. The report indicated that the Labor Party was receiving literally millions of dollars.

Several members interjected.

The SPEAKER: Order!

Mr COURT: Squeal, squeal, squeal! When I mention the words "guilty party" members opposite start shaking and sweating. It is interesting listening to their interjections about the donations because they appear to have learnt nothing. They have received money - the Minister for Fuel and Energy was the president and would have received that money - from the people with whom the Government was doing its scandalous deals. Government members should be absolutely ashamed of what has taken place.

Mr Ripper: What deals have you done for your ads and who has donated to the Liberal Party?

Mr COURT: It is interesting that members opposite seem to have forgotten that the Royal Commission looked into the activities of the Liberal Party when in Government as well as those of the Labor Party. The Labor Party has spent the past 10 years ridiculing the North West Shelf project. What happened after the Royal Commission investigation into that project? It came through with a clean bill of health. Can members opposite say the same about the petrochemical deal? With regard to the North West Shelf project, no documents were missing, nothing was shredded, and no Government people or public servants lost their memories. The Royal Commission was able to conduct a complete inquiry into the project. Is that not the big difference between the Liberal Party and the Labor Party in Government?

Dr Gallop: How were the former Ministers in a position to make representations to that commission? It was because as Minister I gave them those documents. Those are our credentials.

Mr COURT: I do not know whether the Minister has read the Royal Commission report, but as one moves further from 1983 towards 1989 more Cabinet documents have gone missing, the shredder has been working overnight and documents have been fabricated. Is that a clean and open Government? I stress that we do not want a repeat of what has happened in the past decade. It was amusing listening to the Premier saying that now the Government has been in Government for 10 years, made a mess of things, and destroyed the State's reputation, it will make some changes. I shall now talk about changes the Opposition parties will implement when in Government. A democracy depends for its survival on decency, and people agree to behave decently towards each other; that is something the Government may find hard to understand. People behave decently according to the principles and laws agreed upon by the freely chosen representatives of the people. The people are represented in the Parliament. Well established traditions have been laid down around the world. In a democratic country grossly incompetent Governments or Ministers should resign because people should not be asked to accept that incompetence. The members of this Labor Government do not resign; they hang on to the bitter end. There is an even stronger convention that Governments or Ministers who fail to meet the principle of propriety should resign because free and decent people should not be expected to obey them. The community should not be expected to put up with a member of Parliament or a Minister who has acted improperly. Such a member or Minister cannot tell people what to do when he or she has behaved improperly. When that trust between the people and the Government is broken, the Government must go. That is the message the Opposition has tried to convey since the release of the report. The only way to restore confidence in this State is to get rid of the Government. The Government has had its opportunity. A number of Government members have acted improperly and the people should not be expected to tolerate that.

The Royal Commissioners will be releasing a second report, which will outline where the Government has failed and will suggest improvements to the way in which Government operates. I shall quickly run through a couple of key points the Opposition wants to implement when in Government because it is crucial for any future Government to be far more accountable than this Government has been. The first point is collective responsibility. Ministers opposite have never accepted the concept of the collective responsibility of Cabinet. I remember that the former member for Geraldton, Jeff Carr, said in Geraldton when he was a Minister that he did not support what his Government was doing.

Mr Minson: The reason that he won the 1989 election was that he ran like an Independent. He ran as Carr for Geraldton. He did not mention the Labor Party.

Mr COURT: He used to say that he was in Cabinet but he did not support what his Government was doing. However, the concept of collective responsibility does not work that way. One of the most pathetic arguments that I have heard since the Royal Commission handed down its report is that Government members were not informed fully by some members of Cabinet about what was taking place. However, that should make no difference. Had some Ministers bypassed Cabinet and made their own decisions, the other members of Cabinet had a responsibility to say at the next Cabinet meeting that they did not accept what had taken place. Members of Cabinet have a responsibility, if they do not agree with Cabinet decisions, to resign and to explain publicly why they have resigned. Would the Minister for Fuel and Energy, who interjected, agree that if members do not accept the decisions of Cabinet they have no option but to resign from Cabinet?

Dr Gallop: Not at all. It depends upon the position and the decision.

Mr COURT: Does the Minister not accept the concept of collective responsibility?

Dr Lawrence: Collective responsibility means that once a decision is made, it is yours whether you agree with it or not.

Mr COURT: We know how it works practically. Once a decision is made, members of Cabinet have to support that decision. Therefore, the Premier supported all of the decisions made by Cabinet.

Dr Lawrence: Once a decision has been made -

Mr COURT: The Premier has got it wrong. She was not here when I explained it. I am saying that if a decision were made by a Cabinet Minister, any member of Cabinet who did not support that decision would have an obligation to go to the next Cabinet meeting and say that he or she did not support that decision and ask for an explanation. Members opposite cannot use as an excuse the argument that they were not given all of the information because, if I may take as an example the Petrochemical Industries Co Ltd deal, we gave in the Parliament and publicly through the media all of the details about that deal. That matter was debated constantly in the Parliament. All members opposite accepted that deal, even though they have said they cannot recall or remember that deal. The former Minister for the Environment, Barry Hodge, got as far as walking out of a Cabinet meeting. However, he did not resign from Cabinet. Not one Minister had the courage to stand up to the other members of Cabinet. The concept of collective responsibility is that all members of Cabinet are responsible for the decisions made by Cabinet. That is an important point, and the Premier knows it. When Dr Lawrence first became Premier, she was interviewed on "The 7.30 Report", and she was asked by the interviewer -

The other principle is the Cabinet responsibility, you were in Cabinet, Mr Parker was in Cabinet, how are you going to explain that?

The Premier replied -

Well the events that have been described over the last year and a half to two years have been matters some of which went before Cabinet, some of which didn't. If, whatever mistakes were made in Government, whatever errors were made in Government, the whole Government resigned, then I don't think there would be a Government left in this country.

That says a lot about the Labor Governments of the day! The interviewer asked -

Perhaps some people would say, perhaps you should have in this case, this is a time when a whole Government should have resigned and started afresh.

The interviewer asked further -

Did you at any time go to the Premier and say I think that there are problems with what you've been doing and we need to address it now?

The Premier replied -

I don't think it is important to record private conversations that may or may not have been held . . .

The interviewer asked -

Can you say that you expressed your dissatisfaction?

The Premier said -

The important thing is that Peter became aware from a variety of sources of the views. I don't think it's appropriate for me again to report private conversations, it is not fair on either individual.

The interviewer asked -

Did you feel any dissatisfaction?

The Premier replied -

Well, again, I don't think it is helpful to say that, that's all behind us, we're going ahead, Peter Dowding I admire for having taken the step that he has, and David Parker -

The interviewer asked -

Did you feel it but not say?

The Premier replied -

I think you can keep exploring that point until we are both thoroughly sick of it but it isn't helpful because I am not going to report on this matter.

Was the Premier aware of what was taking place with the PICL deal?

Dr Lawrence: I put evidence before the Royal Commission, and if you want to read that here, you can.

Mr COURT: The Premier told the Royal Commission that she could not remember.

Dr Lawrence: I swore an affidavit in answer to that question.

Mr COURT: The matter was debated in the Parliament, it was on the front page of the newspaper week in and week out, and there was a lot of publicity. The Premier supported the PICL deal throughout that period. She did not have the courage to stand against it in Cabinet. She went into the 1989 election knowing what had taken place.

The Premier was asked in an interview by Jana Wendt on 13 February 1990 -

You were nevertheless a senior member of the Dowding Government, do you take no responsibility for those errors?

The Premier replied -

Of the errors of the time have been accepted in the statement today, if the Government was always held accountable to the point of resigning for every mistake it made, then there would be, I think, no Government in this country.

The interviewer asked -

No, I understand that Mr Dowding has accepted responsibility, but I just wonder if you accept any responsibility for those errors of the past?

The Premier replied -

No I don't.

The interviewer asked -

None whatsoever?

Carmen Lawrence replied -

No.

The interviewer asked -

Yet you were present when those deals were made with Rothwells and you accept no responsibility?

The Premier replied -

No, I think you have to be very careful not to make statements about what was or was not the case. The Government has accepted the responsibility, the former Leader has accepted responsibility, and that I think is what the community will expect.

The Premier replied in answer to the question, "Do you accept any responsibility?", that she did not, yet she has just explained to me that she accepts the concept of the collective responsibility of the Cabinet.

Dr Lawrence: I did not say that. I tried to explain to you what it meant.

Mr COURT: So the Premier does not accept collective responsibility?

Dr Lawrence: Do not put words in my mouth.

Mr COURT: Let us get it straight. Does the Premier support the concept of collective responsibility?

Dr Lawrence: This is not a court. You are a bad lawyer. I will not answer your weak, limp wristed questions across the Chamber. The evidence is before the Royal Commission, and if you want to reflect on that, have a good time; go for it!

Mr COURT: If the Premier wants to abuse me personally, go for it, but I asked the Premier whether she accepts the concept of collective responsibility for the decisions made by Cabinet, and she replied that she does not. The Premier was asked whether she accepted any responsibility for the errors of the past, and she replied that she did not.

Dr Lawrence: Do you?

Mr COURT: Were I in Cabinet and were I asked that question, I would have to say that I do accept responsibility for all of the decisions made by Cabinet. I could refer also to the Premier's interview with Howard Sattler. We all know that the Premier was involved in the deals where the Superannuation Board and the State Government Insurance Commission pumped \$50 million into Rothwells, and when the Premier was asked when she first became aware of that matter, she replied that she could not recall or recollect. The Premier must have been living in another world when that matter was being debated in the Parliament. The Premier stated when she first became Premier that Parliament was boring, dull and a waste of time. Does the Premier still stand by those comments?

Dr Lawrence: No. Everyone would agree that Parliament does not always -

Mr COURT: The Premier stated that members of Parliament spend hours in this place talking absolute nonsense. The nonsense about which the Premier was talking was the detailed debates about Rothwells, the SGIC, the Bell Group shares and the PICL deal. The Premier can laugh, but that was the "nonsense" that was being debated at the time! If the Premier had been prepared to accept her responsibilities, along with other Ministers at that time, none of this would have happened. If one Minister had had the courage to stand up and question these deals, they would not have occurred.

In Government, all members on this side of the Chamber will abide by the concept of collective responsibility. Regarding the operations of Parliament, I give the former Leader of the House full points for applying a time management concept to this House. In this way he cut time available for debate. When I first became a member of this place more time was available for debate; however, the former Leader of the House applied time management to suit the Government. I am concerned that proper time is not available to debate issues. It may suit the Government to have certain matters pass through the Parliament quickly, but that is not in the State's best interests. Most importantly, this and earlier Labor Governments have been prepared to provide misleading information to the Parliament year after year. Whether this related to Exim, WADC, Fremantle Gas and Coke Co Ltd, Rothwells, PICL, SGIC and Bell Group deals, we have received lie after lie in the Parliament. When misleading information is provided to the Parliament major problems are caused. The Royal Commissioners pointed out in the report that misleading information to the Parliament is defined under their term "improper conduct", and that definition includes possible illegal conduct.

Today the Premier said that the committees of this Parliament would be better resourced. However, what did she say regarding a committee examining the Western Women matter?

Dr Lawrence: That is an example of the sort of committee which brings the Parliament into disrepute.

Mr COURT: Just because the committee found out some of the truth about what took place with Western Women, and just because the committee made the R & I Bank accept some responsibility for what happened and make some financial commitment to the people concerned, the Premier says that the committee is not doing its job. The Public Accounts and Expenditure Review Committee found recently that the Premier lied to and misled this Parliament. However, the Premier indicates today that she will give more muscle and resources to those committees, yet her Government has been responsible for cutting funding to committees so inquiries are cut short.

Several members interjected.

Mr COURT: The Government has been promising the independence of Parliament for some years, but it has not been delivered.

One of the problems during the WA Inc years was that of Government guarantees. We were told time after time, "There are no guarantees. There will be no guarantees." The Opposition believes it is important that guarantees should be properly handled within the Budget, and be allocated a special Budget item within departments. Guarantees should have an upper limit and be clearly reported upon.

One of the most important criticisms to appear in the Royal Commission report was that concerning political advisers interfering between the chain of command from a Minister to a chief executive officer of a department. When in Government we will keep political advisers as a separate Budget item, and will ensure that they cannot become public servants. Many of the Government's advisers, particularly in the early years, were slotted into permanent Public Service positions. We will not allow that to happen.

Mr Pearce: Does that mean that any adviser will never be allowed to apply for a Public Service position under your regime?

Mr COURT: When we are in Government advisers will not be able to move across into the Public Service.

Mr Pearce: Will they not be able even to apply for a job?

Mr COURT: That is right. Government members know how their political advisers were appointed. It is outlined in the Royal Commission report. In the case of Len Brush -

Mr Pearce: He was not an adviser.

Mr COURT: Does the member know what Len Brush was doing before he became a public servant? He was an adviser to the Premier. He was commissioned to compile a special report on the State Superannuation Board. The member for Armadale should read the Royal Commission's report. It is critical that the Public Service be depoliticised. The Government has parachuted its friends into all levels of the Public Service, and is still doing so. This is causing concern to people who are trying to run an effective and genuine Public Service.

A board of a public corporation should be subjected to the same measures of accountability as a director of a private corporation. Also, ministerial directions must be given in writing, be lawfully within the powers of the corporation and in its best interests.

The Government has been guilty of hypocrisy regarding the disclosure of political donations. It has attempted to take the high moral ground on this issue, yet at the same time it has been in the thick of receiving massive donations, millions of dollars, from mates with whom it has conducted deals. How Government members can talk about this issue is beyond imagination. The Premier admitted using funds from the leader's account for her own election purposes. All Government members representing the northern suburbs had numerous full page advertisements supporting their re-election. Who paid for those advertisements? Who paid for the multimillion dollar television advertising campaign? This funding was coming from people with whom the Government was doing deals.

It is important that the Corruption Commission be given greater resources to carry out its task. Its powers are to be modified to allow it to carry out investigations itself so it will not need to rely solely upon the Police Department. It is important that members' - particularly Ministers' - financial interests are known. As members would be aware, the Opposition has presented a proposal that records of members' financial interests be kept with the Chief Justice of the Supreme Court. We can argue about that aspect of this matter. Nevertheless, we must be aware that if people want to be dishonest, they will be dishonest.

The former Prime Minister of this country did not own much; according to his financial disclosure he was a modest person. However, he now lives in a multimillion dollar house. The Royal Commission's report indicates that it does not matter what the law is, a huge flow of funds is moving overseas; in fact, the commission is still trying to trace that flow of funds. It cannot be denied that that is a finding of the Royal Commission.

The procedures of Executive Council have not been taken seriously by this Government. A great deal of information requires the approval of Executive Council. Realising the heavy demands made on Premiers today, when in Government we will implement a system authorising three senior Ministers to go through the minutes before presenting them to the Governor for signing. Again, I emphasise that any system is only as good as the integrity and competence of those involved.

When in Government we will have the Solicitor General reporting directly to the Parliament; currently, he reports to the Attorney General. As members will have read in the Royal Commission report, the Solicitor General played a crucial role in many of those deals. The Opposition believes that office should be accountable to the Parliament, as is the Auditor General. One could write a book about the current Attorney General's involvement in those dealings. That is a matter which is being debated at some length, I hope, in the other House today. It is important that the Attorney General be an independent person. One cannot say that this Attorney General was independent. Throughout all the deals including Northern Mining Pty Ltd, the Fremantle Gas and Coke Co Ltd, Rothwells Ltd, Petrochemical Industries Co Ltd and the Bell Group Ltd share deals, this Attorney General was one of the key players. As I said yesterday, he will go down in history as the Attorney General who nearly stopped everything, but actually approved everything. Is it not interesting that the Government now wishes to pass freedom of information legislation in these final weeks of its 10 years in Government? That legislation will provide only the information; the Opposition wants to add provisions for administrative appeals and the judicial review of administrative decisions.

My final point concerns the training of members of Parliament. This has been neglected by many people when discussing how to improve the accountability and operations of this Parliament. A lack of knowledge by members in Government, both in and out of Cabinet, and the lack of understanding they seemed to have of their responsibilities in Government, has been highlighted by the Royal Commission. Time after time members of this Government had the opportunity to approach their Cabinet Minister and express dissatisfaction with what was taking place. However, no-one had the courage to speak up or to stand up in Cabinet and be prepared to resign, apart from Arthur Tonkin, who did not resign over one of those deals, but over an electoral reform matter.

Mr Kobelke interjected.

Mr COURT: The member for Nollamara is laughable. The track record of his Government's Cabinet is an absolute joke.

Another area which I wish to discuss relating to this era concerns the media. It has an important role to play in ensuring that the information about the operations of Government and the Opposition is publicised. It is an important part of a democracy. During some of the key years in the mid-1980s the Opposition had considerable difficulty getting its story across. Even though it did its homework - it was preparing well researched presentations to this Parliament on the deals - it could not get the local media to follow what was taking place. Finally, the Opposition had no option but to talk to members of the Eastern States media. It is a sad testimony to the profession here that during that time, with a few exceptions, Opposition members sought to have feature stories written in *The Age*, *The Sydney Morning Herald* and *The Australian Financial Review*. The Eastern States journalists who came here and researched those subjects could not believe what was taking place inside the Government of the day. I believe that the media in Western Australia has learned a lesson from that period. I can recall when I first came to this Parliament that the Press Gallery was very much led by a few people. At the time there was a herd mentality. Brian Burke was a master at dictating how he wanted to put across a story. I believe that the generation of journalists today are being told they must do their own homework and their own investigatory work. A lesson must be learned out of that 1980s period; a period the Opposition found extremely difficult.

I refer now to the vexed question of defamation laws. The Opposition found that the Government was very quick to throw defamation suits against it to keep its members quiet one way or another. When the Government takes action against an Opposition it is a pretty daunting prospect knowing one has a liability to fund one's own action while the Government can use the taxpayers' resources to fund an action. I was one of the people who had to face an action as a result of my criticising an operation of the Western Australian Development Corporation. During that period our defamation laws were misused to keep the Opposition quiet. No doubt the report will have a number of recommendations in it about this matter. I have put forward some suggestions and proposals that the Opposition will implement in Government.

I refer now to some of the findings of the Royal Commission. It is important that we understand how the commission handled certain matters. The introductory chapter in volume 1 of the report made some interesting observations on the interpretation of corruption, illegal conduct and improper conduct. As we are about to start a debate it is important we understand how those words are used in the report. The commission referred to corruption as "conduct which is characterised as such in the Criminal Code". It implied that in part 2 of its report it will recommend changes to the law to deal more adequately than the Criminal Code with corruption, particularly official corruption. The commissioners saw themselves - this is a very important point - as having an obligation to draw to the attention of the appropriate authorities evidence which may warrant the institution of criminal proceedings. They wanted a means where they could fulfil that task without providing an injustice to some of the people involved. The report states -

We have decided to rely on the phrase "improper conduct" to signify not only conduct which, lacking any legal sanction, is nevertheless improper in the sense that we shall discuss shortly, but also conduct which may be thought by the appropriate authority to warrant criminal proceedings.

When reading the report, members must bear in mind that the words "improper conduct" also imply illegal conduct. It is also important to understand that the commission made very clear its view on the provision of misleading information to the Parliament when it defined what is improper conduct. It makes it very clear that it is improper for a member of Parliament to provide misleading information to the Parliament, which the report shows occurred in a number of cases. It is important that that be considered in the light of recent situations concerning Notre Dame and Western Women Financial Services.

Mr Thomas: I do not think it can be construed in that way when talking about accidental misleading.

Mr COURT: We are not talking about accidental misleading; we are talking about blatant misleading. The commissioners also referred to access to records of Parliament, not only *Hansard* but also records on the operation of committees. For example, under its terms of reference the commission inquired into some activities which had been investigated by committees of this Parliament. Members will know that not all parties allowed that to occur. It is important that members in this Parliament understand that they now have an obligation to look at the Royal Commission's report and evidence which has been presented in this Parliament through committees and to put the two together. That is an important role in relation to both the debate which will follow and future debates. We are obliged to do that in this Parliament because the Royal Commission could not do it.

I refer now to a few of the more specific areas in the report. Firstly, a matter which I hope will be debated further and in more detail later this week concerns the attacks by Julian Grill on the Royal Commission. I found it to be absolutely despicable - I am pleased he has just come into the Chamber - that this member, who was quite prepared to attack the Royal Commission when it was carrying out its functions and when its report came down, accused its members of not being independent or honest. It was despicable for him to refer to the operations of the Royal Commission in that way and it is equally surprising that the Premier did not discipline the member or take action against him. That shows the Government has learnt nothing from the evidence given to the Royal Commission. The member for Eyre was given hundreds of thousands of dollars to present his case to that commission.

Mr Thomas: He was not given hundreds of thousands of dollars; he was not given anything.

Mr COURT: He was given legal representation which cost approximately \$700 000. For him to say that the commissioners did not act independently or honestly is a disgrace.

As I said earlier, the Royal Commission was not able to compare what took place in the Parliament in relation to Mr Berinson and what took place in the Royal Commission. However, the important thing that has come out of the report and out of the Parliament is that Mr Berinson was a common denominator in all of the deals. The report reveals that when Mr Berinson was involved in the Northern Mining Corporation deal, he expressed concern that Mr Connell was being paid by both sides of that deal. When the Fremantle Gas and Coke Co Ltd deal got under way, he knew only too well how Mr Connell operated and by the time the Rothwells deal was made, he was one of the people who was responsible for approving that deal. What happened? The Rothwells deal was one of the most important deals that took place. The Attorney General had the responsibility to ensure that all of the "i's" were dotted and the "t's" were crossed. The Government decided that it would go ahead with the rescue and told the Opposition that it had guarantees from Mr Connell and from other people. As it turned out, no paperwork existed; no-one ensured that guarantees were provided. Most of us have been involved in settlements on our homes when we sell them. Let us say a home is worth \$300 000. If we borrow funds and transfer loans the bank requires guarantees, etc. We have to ensure that all the documentation is in place before settlement can take place. Can you imagine, Sir, the Attorney General, who was also responsible for financial matters at that time, not ensuring that all the documentation was in place? He is supposed to have been the ethical conscience of the Cabinet and was involved in all of the dealings at the time, but at no time did he stop any of the deals going ahead.

I, along with my colleagues, have spent many years in this Parliament making speeches about the deals that were the subject of the Royal Commission reports. In the time available to me today I will not have the opportunity to express my disgust at what happened. Some years ago the Liberal Party put out a document called "The Big Con".

Mr Kobelke: It did not work for you, did it, so you are going to try again.

Mr COURT: That is the sort of response that I expect from the member.

Mr C.J. Barnett: I think he is proud of the Labor Party.

Mr Kobelke: I am proud of what the Labor Government has done for the ordinary people of Western Australia, and, unlike the Leader of the Opposition, I take responsibility for the stuff that comes out of my office.

Mr COURT: When did I not accept responsibility for something that came out of my office?

Mr Kobelke: You issued a Press release stating that I said something that I did not say. That was a Press release from your office.

Mr COURT: The member should tell the whole story. Accompanying that Press release was a letter from his office and the media openly accepted what it had heard.

Mr Kobelke: They rang me immediately because they saw it was not true.

Mr COURT: I will not be sidetracked in the limited time available to me.

As I said, the Rothwells deal was one of the most high profile deals of the period; we could spend days debating it in this Parliament. We were given certain assurances about that deal. We were told that all of Mr Connell's assets were guaranteed. We were told a number of things when we came into the Parliament and debated the matter, all of which turned out to be absolute lies.

I wish I had another five hours to debate the subject. The Royal Commission reported in one of its findings that Mr Burke had additional reasons for committing the Government to the rescue of Rothwells and those included his desire to assist Mr Connell and to preserve the standing of the Labor Party in the eyes of the business community. The commissioners said that in all of the circumstances they were satisfied that his conduct was improper. That sort of comment was made on many of the pages of the report. All we read about is his improper behaviour. If members opposite had bothered to read the document "The Big Con", at least one Minister would have had the courage to stand up in Cabinet and tell it that the deals were wrong.

Mr Taylor: Which document is that?

Mr COURT: This document was distributed to all Western Australians around the time of the last election.

I would like to have the opportunity to debate all of these items individually. However, in conclusion, the Royal Commission has vindicated all the work we have done over the past decade and the Labor Party is a party in disgrace. It cannot be trusted in Government or trusted with the stewardship of the State's finances. It is a disgrace and is discredited. It is now in disarray. Only through a change of Government will we be able to restore investor confidence in this State. The Royal Commission has sent out a clear message to investors that if they deal with the Liberal and National Parties in Government, they will be dealing with a Government that is clean and above board and if they deal with the Labor Party, the deals will be scandal-ridden as was highlighted by the reports of the Royal Commission. Many of the same political advisers who were advising the Government during those days are still calling the shots. The same political appointees who were parachuted into the Public Service are still there. A member of this Parliament even accused the Royal Commissioners of not being independent and of lacking honesty. What is indicated by the Royal Commission reports is that we cannot trust the Labor Party with a stamp collection let alone with the finances of this State. It actually used political donations to buy stamps!

Mr C.J. Barnett: We tried to fix it by giving them a franking machine, but that did not work either.

Mr COURT: We could debate that at length, also. It is time for a change of attitude. We will get rid of the corruption and the illegal deals that have occurred over the past decade and ensure that the Government becomes accountable only with a complete change of attitude. We should have far more respect for the Parliament. Sure, the process of the Parliament is long and can be boring and the Premier says it is a waste of time. However, it is the best system developed so far for a democracy and we should be prepared to listen to the long and boring debates, even if that is how members describe them. Members opposite described all the Opposition's debates on WA Inc as monotonous and repetitious, yet if members opposite had been listening and taking action on what was said they would not have suffered the scandals that will ensure that the Labor Party in this State remains in disgrace for many decades to come. The next election will give the people of this State the opportunity to judge this Government and it will not be judged kindly.

MR COWAN (Merredin - Leader of the National Party) [4.21 pm]: The word "outrageous" has been overused recently. It began with the Premier saying that she was outraged by the actions of some people as detailed in the report of the Royal Commission into Commercial Activities of Government and Other Matters. It is, however, outrageous that after a commission of inquiry which cost approximately \$30 million has reported, members of Parliament will be allowed only 30 minutes each to pass their judgement on a six volume report and be expected to feel that they have made their contribution under the democratic process.

Members know that this Government had to be forced into conducting the Royal Commission that has just brought down its report. If members cast their minds back to the time when the Royal Commission was being called for by the member for Jandakot in his capacity then as Leader of the Opposition they will recall the ridicule that was heaped upon him for doing so. I hope that a few people in this place will be gracious enough to show some humility and accept that he was correct during all the time he was making that call.

It should be remembered, before the Premier claims the Royal Commission as her own, that she resisted it until the last moment. Three days before the announcement of the Royal Commission was made the Ombudsman recommended there be a Royal Commission, yet the Premier rejected that recommendation. Three days later she was finally brought to the realisation that she had no alternative but to conduct a Royal Commission into commercial activities of Government and other matters.

What do people expect for the \$30 million expense incurred on their behalf by this Government with the full approval of this Parliament? I suggest that perhaps the most outstanding expectation is that the villains identified by the Royal Commission - remembering that not all of their actions have been included in the report because the commission did not want to prejudice any opportunity to bring these people to trial and have them prosecuted, thereby ensuring that someone pays the price for the excesses of previous

Governments of this State - be prosecuted. It is not my wish to attempt to identify the people who, in the words of the commissioners, acted improperly, but more appropriately to deal with this matter in the same way as has the Premier and the Leader of the Opposition; that is, to look at what this Parliament can do or ask the Government to do to ensure that such things do not happen again.

We must not forget that there are two other major players in this democratic system apart from the Government and Parliament; that is, the Public Service and the way in which it provides checks and balances to Government, and the media. It seems strange to me, and not the least bit satisfying, that during all the time the actions of WA Inc were occurring and the Opposition parties were shouting from the rooftops that something smelt about the way in which the Government had become involved with business that there was little response from the media.

Of course, since these things have come to light most of us have become tired of reading about or watching the events related to WA Inc as they unfolded before the Royal Commission. What a pity that the fervour applied to reporting the actions and/or hearings of the Royal Commission, or just a particle of it, was not applied at the time some of those happenings took place. Had that occurred we might have had some chance of preventing a number of the deals that took place. However, that was not the case.

I can recall two days before the last State election a scathing editorial which appeared in *The West Australian* and which indicated that the Labor Government had learned its lesson and that former Premier Dowding had learned his lesson and would no longer be involved in WA Inc scandals. At the time *The West Australian* was running that article Premier Dowding was involved in the petrochemical deal, which was undoubtedly the biggest scandal of all and which *The West Australian* chose to ignore; perhaps because it had the same ownership as the corporate body trying to swing the petrochemical deal - that may have had some bearing on the issue!

What can we do about the operations of this Parliament to make it perform better? What can we do to ensure that this Parliament can demand greater accountability from its elected Governments? The only way in which it can do that and enforce its demands constitutionally is through that provision of its Constitution which requires the Government to bring before the Parliament in the form of legislation proposed laws, taxes or appropriations that it wishes to impose upon the people of this State.

As legislators members of this Parliament must do two things. First, they must become more vigilant in some way, shape or form. It may be appropriate that we as parliamentarians learn to break the sometimes unnecessary disciplines applied by the party political system. What a pity it is that when people determine that it is their right to exercise a conscience vote that, rather than their being hailed publicly as having the right to exercise that approach at any time, nine times out of 10 the focus of attention is upon the fact that someone lacks discipline or is a rebel. The person is more or less put in the category of an outcast because he or she has had the temerity to exercise a right.

Mr Thomas interjected.

Mr COWAN: Nobody can take away that right. Most people are well aware of the consequences if that right is exercised, particularly within the party of the member who just interjected.

Mr Thomas: It is in written form.

Mr COWAN: Yes, it is in written form. It certainly applies elsewhere as well. That is what I mean when I refer to the strict party political disciplines which are applied as sometimes needing to be given closer examination; certainly, greater freedom must be afforded to individual members of Parliament in this area. In addition, in my experience, the Parliament operates a committee system which has never been used to its optimum capacity or as a review mechanism. In my experience, very rarely has any Government agreed that complex legislation could be referred at the time of the second reading to a committee for a report. In future years we will need to do two things: If we want this institution to be recognised as a responsible body able to require accountability that the public demands of the Government, we will need to put the committee system into place and make it more effective. We will also need to remind many more members of Parliament that they are legislators. Sometimes

we are ridiculed because we sit for only six months of the year, for three days a week, and perhaps we should give much more time to our role as legislators, not so much in our capacity to vote for legislation in this place but to exercise our right to scrutinise legislation through the committee system. I know that it is an irritant to the Government to have greater scrutiny but if we want accountability that scrutiny must be accepted. I would be pleased to see an increase in the activities of committees in the parliamentary system. I would be pleased also to see a changed system of legislation as it is introduced and voted on, so that no-one has great expectations of legislation being introduced in the last two weeks of the session, passed through all stages, belted up to the other place and then brought back here in the hope that we can pass it. I know that is an idealistic position because inevitably on occasions legislation must be rushed through Parliament. However, let us try to eliminate that process and see if we can allow greater scrutiny of Government legislation through a committee system.

One other point that might cause people to cringe a little is that it is appropriate for committees such as the Public Accounts and Expenditure Review Committee to have an Opposition majority, or perhaps it might be better to call it a Government minority. In that way the system will have a greater degree of fairness in approach to matters which are important in the scrutiny of the operations of the Executive Government.

It is appropriate also that we look at the mechanisms for the way in which the Government appropriates funds, and the way in which the Government gets involved in using public money with private enterprise. That interface between private enterprise and the Government must be very carefully assessed before appropriating taxpayers' funds into any business which might be seen as receiving a benefit. We have few remedies, but I note two: First, we must ensure that whenever the Government considers the issue of a guarantee we should not wait for the exercise of the guarantee before we introduce legislation. If the Government determines that it wants to offer a guarantee to any company it should introduce legislation at the time of the announcement.

Mr Taylor: It is suggested in the Burt recommendations that any contingent liability entered into by the Government should always be done by way of legislation.

Mr COWAN: I agree. I have been waiting for about three years for that to occur. It has not yet been put in place. Today the Premier said that the Government would do something about it. We heard Premier Dowding say that in the past. We have the most untidy Notice Paper I have ever seen at this time of the session.

Mr Taylor: People say that every time at this stage of the session.

Mr COWAN: I do not. Currently, we have the most untidy Notice Paper ever experienced in this place. Because I attach so much importance to such legislation, if the Government wants to introduce it, notwithstanding all the other legislation the Government wants to get through or must get through, I give a commitment here and now to support that legislation. It is very important legislation.

Mr Taylor: I think the member has the wrong end of the stick about the nature of the legislation. We want an agreement with a particular group which involves perhaps contingent liability, and the advice is that we should take legislation to Parliament. I intend to do that, but that is a particular matter.

Mr COWAN: I thought the Minister was saying that he would seek to amend the Constitution.

Mr Taylor: It is another matter.

Mr COWAN: That will be treated on its merits.

I want to deal with one more point about appropriation legislation; that is, the appropriation of moneys relating to the term "extraordinary items" in the Constitution. For some reason, over time nothing is extraordinary. It seems these days that we can put anything into an appropriation. We should review that definition so that extraordinary items are more clearly defined and become a separate issue rather than being included in the Consolidated Revenue Fund appropriation as we have in the past with, for example, the appropriation of funds to repay the State's debt on its WA Inc business dealings. That should never have been part of the appropriation Bills; it should have been separate. Once again, that is a matter which Parliament needs to address.

I turn to the other two issues, the Government and the Public Service. In dealing with the Government, it is very important to note one of the findings of the Royal Commission. It is amazing that the commission should feel the need to make a point of this issue because so many people take it as implicit in the role of a parliamentarian that Ministers should at all times tell the truth. It is an extraordinary indictment on members of Parliament that three learned judges, after hearing so much evidence, came to the conclusion that they must include in their report a statement that Ministers should at all times speak the truth and tell the truth to Parliament. That is an indication that clearly Ministers have lost their way. That is one issue that needs to be addressed. From that stems the matter of openness and accountability of Government. Without doubt that is a collective responsibility of the Cabinet and that responsibility has been ignored. Without doubt Ministers must also accept responsibility for their actions. While I do not condone any of the activities that led to the accusations against the member for Armadale - it is not for me to be the judge - at least he was prepared to take the honourable course. A number of other Ministers could have examined their consciences and followed that course, but that did not occur. My method of dealing with the two issues of Government and Parliament and ensuring we do not have a recurrence of WA Inc is quite different from the approach the Government has outlined. So far all we have heard from the Government is that it will be doing something about political donations, the declaration of pecuniary interests and electoral matters.

Mr Ripper: All of those things should be done.

Mr COWAN: The Leader of the House seems to be anxious to support his Premier in the pursuit of those objectives. Does Hon Eric Ripper really believe that is what the Royal Commission is all about? Does he really believe the fault lies in those systems that have operated for so long and have not caused the Government any great distress, or required this Parliament to demand greater accountability than has ever occurred in the past 10 years of Government? Does he believe after all those years during which previous Governments operated under a similar system and did not have to report political donations, to declare pecuniary interest - other than those which appear in the Standing Orders - or have this garbage known as one-vote-one-value, that they were honest because of the system?

Dr Gallop: I have a simple answer to the Leader of the National Party's question. This is the 1990s, which followed the 1980s; so I do not know where you have been.

Mr MacKinnon: Dr Gallop was in the Government supporting it all.

Dr Gallop: I was defending public housing and trade unions.

The SPEAKER: Order! The poor Leader of the National Party is standing between those two members.

Mr COWAN: I have learnt that there is nothing simple about the Minister for Fuel and Energy. He can turn even the simplest objective into one that is so complicated that it allows him to get back onto his own lectern and give us all a lecture.

Dr Gallop: You have eight minutes to go and I will be into it.

Mr COWAN: I am sure we will hear the same thing. The cause of the six volumes of the Royal Commission's report was the deceit and improper conduct of this Government and its predecessors; it cannot be sheeted back to those issues on which the Premier has outlined the Government will take action. I do not agree that if we had a declaration of pecuniary interest, some form of declaration of political donations or a one-vote-one-value electoral system, this would not have happened. It would have happened for the simple reason that we cannot legislate for individuals to conduct themselves honourably and against individuals in the world who see an opportunity and want to manipulate their members of Parliament who have access to the finances that come from the Consolidated Revenue Fund and the State's property and other assets. We cannot legislate against all of those things. History tells us that previous Governments have been elected under similar systems, perhaps under less fair systems than we have at the moment, and have not had to declare pecuniary interests or political donations, yet none of those Governments is listed in the Royal Commission as having done anything improper. It was only this Government. When the Royal Commission was called members opposite took great delight in ensuring that the investigation would go back 10 years, and in claiming that exactly the same things had occurred with other Governments. What happened? The commissioners found nothing!

My last point relates to the Public Service and the way in which it has been politicised by this Government and its predecessors. One of the greatest assets of an independent Public Service is that it provides the checks and balances which complement the accountability demanded of Government by this Parliament. When the Public Service is politicised, as has happened over the past 10 years, the checks and balances that are normally present are removed. Members should cast their minds back to one incident where a person, who was not only a senior political adviser to the Premier but also a senior officer in the Ministry of the Premier and Cabinet and the Deputy Chairman of the State Government Insurance Commission, was able to provide funds to the Government whenever it needed them. Those funds did not need to be appropriated through this Parliament, and that is exactly what happened. It was very easy for someone to put a proposition that the assets of the State could be purchased using the funds of a State agency and then some entrepreneur would gather the profits. That is what happened with the politicisation of the public sector. It should not have occurred, and it should not happen again. One of the most difficult issues for future Governments - I am sure the National Party will be part of a future Government - will be the depoliticisation of the Public Service. We must have clear lines of distinction between those people who are appointed for a short period in an advisory capacity and those who are permanent public servants to ensure there can be no politicisation as there has been in the past so that the checks and balances that should come from an independent Public Service are preserved. No longer should we have the situation where if it is convenient the Government can put in a position of power within the Public Service somebody who will give it the answers it wants; that is something that will take a long time to root out, but every future Government should be dedicated to that task. If we can do four things - address the accountability that this Parliament demands of Government; address the need of the Government to be more honest, truthful, open and accountable; depoliticise the Public Service; and ensure the media play their role - I am sure that the accountability that is demanded by the public of Western Australia in our democratic system will be given to them.

DR GALLOP (Victoria Park - Minister for Fuel and Energy) [4.50 pm]: I begin my speech by illustrating the historical point about the 1980s and 1990s that I made by way of interjection that we are in the 1990s.

Mr Shave: It is a new era.

Dr GALLOP: It is a new era, and the 1990s follow the 1980s. The 1980s was an extraordinary period in human history, not only in Western Australia, but also in other States. It was an extraordinary period not only in Australia, but also in Great Britain, Europe, Scandinavia and North America. The lessons of many of the difficulties that emerged from that period are being learnt all over the world, not only by Governments but also by commercial institutions and regulatory bodies that were supposed to be in place to check the world of commerce. It is very important that members understand that point because the events in Western Australia must be placed in an international context, in the context of the frenzy of activity that occurred during the 1980s. Until members understand that they will not be able to move forward and make sure that the problems of the 1980s do not recur. The Opposition has a very simple theory. Members opposite think that if only they could get rid of the Labor Government everything would be okay. However, that is a mistaken analysis.

Members must remember the issues which the Royal Commission report addressed. The commission was given specific terms of reference to deal with specific matters relating to the Government business and associated matters throughout the 1970s and 1980s. The commission reported on those matters in six volumes to which members have referred this afternoon. The report did not deal with the totality of Government in that period nor with the totality of Government from 1983 to 1990. The Government referred to in the report between 1983 and 1990 is the same Government which established a degree of electoral reform in this State; established an independent Electoral Commission; established new principles and policies in the area of public housing and public transport; established new policies and directions for Western Australia's senior citizens; depoliticised industrial relations in this State; established occupational health and safety legislation; established equal opportunity legislation; and established a new Environmental Protection Act and moved dramatically forward in the area of conservation.

The Royal Commission did not address those issues, but I am reminding the Parliament

about the Government which instituted those reforms, and did so despite the opposition of members opposite in both Houses. The people of Western Australia understand that. The Government will stand on the record of those reforms at the next election. I also remind the Parliament of what has occurred in recent years. Members have seen the resignation of a Premier, a Deputy Premier, and a senior member of the Government in the early 1990s, the member for Eyre. They resigned because they took responsibility.

Mr Shave: Why don't you take responsibility?

Dr GALLOP: They took responsibility under the Westminster system of Government for mistakes that were made in that era; mistakes acknowledged by them. This Government, which is currently in Parliament protecting and promoting the same interests that have led to an improved public transport system, improved public housing, environmental reform, the depoliticising of industrial relations, and the establishment of equal opportunity legislation, enjoys the support of the majority of the Legislative Assembly. The Opposition does not have the guts to test that support by way of a direct motion, because it knows that it will be defeated in this House. I remind members, therefore, of the effects of the 1980s and how they have impacted on Governments and commerce all over the world, of the reforms of the Labor Government in the period post-1983, and that the support that this Government enjoys in this Parliament is acknowledged by the majority of members.

Several members interjected.

The SPEAKER: Order!

Dr GALLOP: I turn now to the nature of the Royal Commission's six volumes. The Royal Commission's report developed a very general definition, and for good reasons, of what it saw as improper conduct. Indeed, it stated that that definition included some activities which may be determined by the courts to be criminally negligent behaviour through to much lesser breaches of what it understood to be certain standards expected of office holders. The commission put all those factors together under the heading of improper conduct, and reached a conclusion in that report about certain individuals. The record of those findings is there for everyone to see.

I ask the simple question: What should it mean to members to read those conclusions about particular individuals? Firstly, it is important to note that the report does not tell us about the degree of impropriety. The reason it does not do so is very clear. It states that some of the matters will be referred to other authorities for determination. Similarly, it does not talk about the level or type of sanctions that should be applied in various cases; they remain matters for determination. It is impossible for the Royal Commission's report to do anything but adopt a very general approach. Of course, we as members of Parliament and as citizens cannot simply adopt a blanket approach unless, of course, we are so full of our political enthusiasm and prejudice that we lose sight of the fundamental principles that should underpin a liberal system of justice in this State. Some members opposite are so full of themselves and their political temptations that they forget those principles.

Secondly, because those conclusions are reached about individuals it does not necessarily follow that the individuals referred to do not have some sort of right of appeal. No doubt those individuals have the right to determine whether that appeal goes back to the Royal Commission, or perhaps finishes up in a superior court, or simply goes as a general case to the community.

Given the fact that a confidential report has been forwarded to the Director of Public Prosecutions it is incumbent upon us, as members of Parliament and as citizens of what should be a liberal and fair society, to not prejudice the positions of individuals who may find themselves in that position. Due legal process must be followed and the rights of individuals should be respected. Mr Speaker, some of these points have been made by you as Speaker of this Legislative Assembly and also by the President of the Legislative Council.

It disturbs me, as a strong defender of the parliamentary system of government, that members opposite have also discussed the possibility of moving to expel a member of this Parliament. It offends my very belief in democracy that members opposite would consider such a move. We operate under a parliamentary system in which individual members, unless very specific laws have been broken by those members and those laws are outlined in our Constitution and electoral Acts, have a right to go back to their electors to seek their endorsement. It is a

fundamental principle of our system of government and it is to the credit of the Commonwealth Parliament that it passed legislation which took away from its Houses the power to expel a member. I refer members to the scandalous events which occurred in 18th century Britain when the radical John Wilkes was expelled from Parliament. He went back to the people and he won the election; he went back to Parliament and was expelled again; he went to an election, won and went back to the Parliament again only to be expelled again. It was the brute force of numbers in the Parliament which denied his electors - I think his constituency was Middlesex - the opportunity to elect him. It offends the very principles of democracy and members on this side of the House will fight very hard to retain these principles.

I remind members opposite of what the Royal Commission report said about improper conduct. It was very careful to point out how general its definition was. The responsibility therefore remains with Ministers to deal with the question of named public servants, and one cannot necessarily jump to the conclusions which some members opposite have drawn. Nor should we jump on the same bandwagon in respect of the ability of individual members of Parliament to go back to their electors to seek their endorsement in an election.

In saying this I remind the House of the fundamental principles of our democratic and liberal system of government. In 1983 a new Government was elected in this State and it inherited a system of government which, to put it simply, was imperfect. A number of rorts were at the very heart of that system of government which was inherited in 1983. The first rort was that citizens in this State did not enjoy equal power in respect of their voting rights.

Several members interjected.

Dr GALLOP: Members opposite should listen to my argument.

A second and related rort was that the Legislative Council - our House of Review - was based on a system of malapportionment. That Chamber had never been in the control of anything but the conservative forces of this State since 1890. The third rort is that the Parliament had been significantly weakened by the force of the Executive throughout the 1970s. This was the system of government which was inherited by a reformist Labor Government keen to bring about changes which would provide a proper set of checks and balances in the system.

Mr C.J. Barnett: You did that well. You took the cheques and fixed the balances.

Several members interjected.

The SPEAKER: Order!

Dr GALLOP: What happened to the legislation which required members of Parliament to declare their financial interests? It would have had a significant impact on political behaviour in the 1980s. It was defeated in the Legislative Council. What happened to the move to establish a system of one-vote-one-value in this Parliament? It was defeated by the Legislative Council. Every effort that was made to reform the system in a substantial way was defeated in the Legislative Council. It is to the credit of the National Party that it agreed to certain reforms to our electoral system, including the establishment of an independent Electoral Commission which took away the ability of the majority party in this Parliament to do what happened, for example, in 1981 when there was a change to the boundary between the Pilbara and Kimberley electorates in an attempt to re-elect a Liberal member to the seat of Pilbara. A then Liberal member of Parliament, Bill Withers, was so disgusted he resigned over that gerrymander. That cannot happen now because a Labor Government, supported by the National Party, established an independent Electoral Commission. Unfortunately, further reforms which were needed in respect of the regulation of politics in this State, and which this Government is still trying to establish, were not instituted. If they had been pushed they would have been rejected.

Mr C.J. Barnett: The problem was you did not have honest people in your Government. They were a mob of crooks.

Dr GALLOP: The Deputy Leader of the Opposition should not say things like that, but he cannot resist.

There was no proper regulation of our political system. But what happened when I, as Minister for Parliamentary and Electoral Reform, introduced disclosure legislation this year

before the Royal Commission report was brought down? There was resistance to it. Who has learnt the lessons from the 1980s?

Mr C.J. Barnett: You certainly have not.

Dr GALLOP: We have a reformist Government on this side of the House which has learnt the lessons of the 1980s. It will continue to advocate major political reform in this State, focusing on the regulation of political activity. I remember the member for Marmion, in true conservative style, arguing that we did not need to regulate politics. He said politics should be a private activity.

Mr Clarko: I never said that.

Dr GALLOP: If the member reads *Hansard* he will see that he did say it.

Mr Clarko: You are misleading the House, which is not surprising.

Dr GALLOP: The tragedy of the 1980s is that the sort of reforms that the Australian Labor Party has always believed in and advocated could only be established in a muted form in this gerrymandered and malapportioned Parliament. That is the first tragedy of the 1980s. The reform program of the party I represent in this Parliament could not be properly instituted because of the resistance of the upper House. What followed from the malapportionment in the upper House was that its members lacked the moral fortitude to raise these issues.

Several members interjected.

The SPEAKER: Order! Order! For the balance of today I would like some form of commitment from members. How many times must I call for order before people take notice?

Dr GALLOP: In making that particular claim I refer to no greater authority than the current President of the Liberal Party who, in his submission to the Royal Commission, argued that the Legislative Council was muted in its support for what he called parliamentary standards because it was embarrassed by the electoral system under which it operated. That is precisely the nature of his contribution to the Royal Commission.

Mr Bradshaw: He did not say that.

Dr GALLOP: That is how I read it in that journal of record, *The West Australian* newspaper. The tragedy of the 1980s was that the Australian Labor Party was incapable of establishing in this State the political reform program upon which it was elected and for which it had fought for many years, because of the numbers in the Legislative Council. Only one group of people must acknowledge responsibility for that particular tragedy; that is, the Liberal Party in this Parliament. Its members cannot see beyond their political interests. Still today they have not learnt any of the lessons the Royal Commissioners have put to us in their very learned report. A fundamental lesson the Royal Commissioners put forward is that there must be a focus on the public interest, and the most important area in which the public interest must be protected is in respect of our Constitution. Every time the Labor Government tried to change that Constitution and introduced reforms that would have established proper checks and balances in the system, there was resistance. Therefore, the reforms that eventually came with the support of the National Party were muted reforms. I remind members opposite of certain fundamental points. The Royal Commission was not dealing with the totality of the Labor Government. It was not addressing those many other issues of State that are important to the electors of Western Australia, for example in the housing and transport areas. When we go to the next election we will proudly carry the Labor banner.

Mr Shave: Why not put the ALP on your ads?

Dr GALLOP: I remind all members of Parliament of the nature of the definition of improper conduct in that Royal Commission report, and of the fact that it is incumbent on us to recognise that a confidential report has gone to the Director of Public Prosecutions. I also remind members of the rights of individual members of Parliament to seek the endorsement of their electors. That is the centrepiece of our system - elections.

Opposition members: Why not have one now?

Dr GALLOP: We will go to the election in the normal course of events and we will win that election because the Opposition is so arrogant.

Mr Taylor: Just like South Fremantle during the grand final.

Dr GALLOP: That is a very good analogy by the Deputy Premier. I point out that we need substantial political reform, and the centrepiece of that reform must be one-vote-one-value, from which a system of checks and balances can develop. We understand that because it is incorporated within the Labor Party's philosophy. At least members opposite should have learnt that lesson from reading the six volumes of this report, and the tragedy is that they have not learnt that lesson.

MR MacKINNON (Jandakot) [5.16 pm]: On the Premier's first day in this Parliament as Premier in answer to the first question without notice she was asked on 1 May 1990 she said -

I take the opportunity before answering that question to say that this is an historical occasion for me and for all women.

It was an historical occasion in more ways than one, and not just for that reason. The Premier is indeed our first woman Premier and for that she certainly deserves commendation and recognition. She made that statement in reply to a question from me about whether she would appoint a Royal Commission. In her answer she rejected the Opposition's call for a Royal Commission. In fact, she and her colleagues - every single one of them - steadfastly refused to appoint a Royal Commission on two grounds. Those two grounds were: Firstly, that it might interfere with some court cases - the Bond case in particular; and, secondly -

Publication of evidence by the commission is likely to result in people not coming forward, discouraging them from giving evidence that they might otherwise have given.

The Royal Commission report has referred to each of those matters. It states on the question of interference in paragraph 1.6.15 -

The question of potential prejudice to pending prospective criminal or civil proceedings did not occasion the Commission significant difficulty.

It continued -

A very limited amount of evidence taken in camera remains protected,

The first basis upon which the Premier for almost a year rejected that call for a Royal Commission was totally untrue and without foundation, as the Opposition said it was. Secondly, the Premier consistently said a Royal Commission would prevent people coming forward. The Royal Commission report states in paragraph 1.5.4 -

The Commission wishes to acknowledge that it has received considerable help from members of the public in response to its invitations. Indeed, almost to the last days of the Commission, new information was being provided.

The first point I make is that the Government did not willingly support and appoint the Royal Commission. The reasons given until the time it was appointed were spurious, and any claims the Premier now makes in the community are clearly absolute nonsense. They are almost as much nonsense as the speech I just put up with from the Minister for Fuel and Energy. What an absolute load of rubbish!

Dr Gallop: Produce an argument.

Mr MacKINNON: I will come to that. The Royal Commission was not appointed because the Premier had a flash of conscience. It was not appointed because her colleagues pressured her to appoint it. We know that the member for Eyre, the member for Peel and the member for Marangaroo consistently and vigorously opposed the Premier's moves to appoint a Royal Commission, and probably so too did other members. The Royal Commission was appointed because of sustained public and parliamentary pressure, topped off at the end of the day by an event which forced the Premier's hand and left her with no alternative than to appoint a Royal Commission. There would not have been a Royal Commission had the Opposition not persisted in calling for a Royal Commission over an extended period of time. Many members of this party, which I am proud to have led, made a considerable contribution to sustaining that pressure for a Royal Commission to be appointed, notably Bill Hassell, Mr Court, the present Leader of the Liberal Party, Hon Max Evans and Hon Peter Foss.

Mr Court: We would have preferred to spend our time doing more positive things.

Mr MacKINNON: I could not agree more. The People for Fair and Open Government, lead by Bevan Lawrence, added to the public pressure, as did also Professor Patrick O'Brien. The Deputy Premier may laugh, but I remind him of what Professor Patrick O'Brien predicted would happen in the book which he wrote. He foretold it all, and he must take some of the credit. The media must also take some of the credit for the appointment of the Royal Commission. "The 7.30 Report" pursued the matter vigorously and gave the Opposition media coverage at times when it could not otherwise get it. Martin Saxon was vigorous in his pursuit of this matter, and at times so too were Stephen Loxley and Diana Callander. However, even though a public perception was built up that there should be a Royal Commission, there was still no Royal Commission. There then came the Stirling City Council affair and the allegations of corruption and telephone bugging. I am sure you recall that, Mr Speaker; I know I do. Investigations into that matter went on for 18 months to two years, but there was no conclusion. Therefore, I wrote to Mr Freeman, the then Ombudsman, and told him I was not happy with the pursuit of the matter, and asked him what was his point of view. He wrote to me on 13 November 1990, and I believe his response brought about the Royal Commission, because he stated that in his view, "the public interest would be satisfied only by a Royal Commission with extended powers, as was the case in the Fitzgerald inquiry, to investigate this and other related matters." That was what the Opposition, Bevan Lawrence and others had been saying for months. The Premier had been able to resist the demand for a Royal Commission, but when a person with the credibility of the Ombudsman made that statement, there was nowhere else for the Premier to go. That was the straw that broke the camel's back, and within days, on 19 November, the Premier appointed the Royal Commission. The Premier was dragged kicking and screaming to appoint the Royal Commission, and members of this House and the public of Western Australia know that. The Premier does herself no credit by pretending otherwise.

At this stage I want to pay tribute to the Premier for two reasons. Firstly, the Premier is to be commended for appointing as Royal Commissioners three people of absolute eminence. They have done an outstanding job for the people of this State. Secondly, as was indicated at point 1.3.4 of the report of the Royal Commission, the Premier and the Government cooperated with and resourced well the Royal Commission, and must be commended for that.

The findings of the Royal Commission were historic, and I cannot comprehend how the behaviour that the Royal Commission uncovered could have occurred. The report of the Royal Commission has had more impact on the community than any other report that I have seen in my lifetime. The report has impacted upon and will reverberate throughout this Parliament for many years to come. The Royal Commissioners should be congratulated, and the member for Eyre should be condemned for saying that the Royal Commissioners were dishonest and lacked integrity and impartiality. I cannot comprehend how he could stand here and say that, nor how the Deputy Premier could support those comments. The Minister for Fuel and Energy also supported those comments.

Dr Gallop: I did not. That is a complete misrepresentation.

Mr MacKINNON: Yes, he did.

Dr Gallop: I certainly did not.

Mr MacKINNON: It is an absolute disgrace, and I dissociate myself totally from those remarks. I will say more about that tomorrow.

The report of the Royal Commission stated at page 27 - 3 that the Parliament in part, Ministers, the Government, and members of statutory authorities, were to blame, and so too was the Public Service, which had lost its way, and that the system of Government had broken down. That occurred because the people in Government would not stand up and be counted. The Minister for Fuel and Energy and the Deputy Premier are two of those people who put their own self interest and survival ahead of what they knew was right. I cannot say it any better than did Edmund Burke - and it is interesting that another Burke said this - when he said that the only thing necessary for the triumph of evil is for good men to do nothing. The good men and women who sit opposite did nothing.

Mr P.J. Smith: Rubbish!

Mr MacKINNON: They did absolutely nothing. The member for Bunbury is just as guilty as the Brian Burkes and Peter Dowdings of the world.

I was interested to read an article in *The West Australian* of Wednesday, 28 October, where Jim Ward, the Executive Chairman of Ward Holt Public Relations, said in respect of the WA Inc findings that -

The simple fact is that Dr Lawrence was around, as a Cabinet minister, when some of the really ugly things were happening.

As a company director, it is no defence to say you were unaware that things were being done incorrectly in your company. It's your business to know, and failure to exercise what the lawyers call "due diligence" can lead to a free holiday at the government health farm.

The same principle must surely apply to Cabinet ministers who are, after all, effectively directors of the beleaguered company called Western Australia.

Mr Ward indicated that it was necessary for people to stand up and be counted, to take responsibility, and to speak out. I will now go through a list of the members who are still in this Parliament and recap what were their responsibilities.

[Questions without notice taken.]

Sitting suspended from 6.00 to 7.30 pm

Mr MacKINNON: As I was saying prior to question time, Jim Ward, the Executive Chairman of Ward Holt Public Relations, said in an article in *The West Australian* on Wednesday, 28 October, that business must also demand political accountability if the stain of WA Inc is to be removed from the State's profile.

Mr Ripper: Did he work for Laurie Connell?

Mr MacKINNON: Probably. He comments about the Westminster system that there is a collective responsibility and that the same principles must surely apply to Cabinet Ministers as apply to those in business because they are, after all, directors of the beleaguered company called Western Australia. I will run through the people who have been and who still are directors of that beleaguered company and who until this time have refused to take any responsibility for what has happened.

Mr Kobelke: You are a mouthpiece for Laurie Connell!

Mr MacKINNON: I will deal with the member who just interjected later. First, Carmen Lawrence, who from 1985 to 1990 was a member of the Australian Labor Party's administrative committee which approved Burke and Dowding's fundraising activities. The laughter opposite has stopped because the present Premier of Western Australia was a member of that administrative committee. She knew what was going on with fundraising activities and approved of them, yet she comes into this place and says she does not want to accept any responsibility for what happened.

In 1986 the Premier was a member of the Midland abattoirs Select Committee. In February 1988 she entered Cabinet as Minister for Education and was present at, and bears part of the collective responsibility for, the Rothwells financing decisions and the Bell Group share purchase in April 1988. The Premier of Western Australia endorsed those actions. She was a part of the Cabinet that approved them. Did she sit there and say nothing? I will come to the Petrochemical Industries Co Ltd investment in July 1988 and the variation of terms in January 1989 in a moment. The Premier was part and parcel of all those things. It is unacceptable for her to come into this place and say that she sat there, really did not know what was going on, and does not bear responsibility for what happened. I do not believe her. If the Premier sat there and did nothing, she was equally responsible and liable. I will come to Julian Grill later.

Mr Berinson, Leader of the Government in the Legislative Council, and one of the most powerful men in Government - and no-one can deny that, he was number three - was directly involved in the decision not to prosecute over the casino scandal. He was involved in the Rothwells rescue in October 1987. He was also involved in the subsequent secret funding of Rothwells. He was involved in the BHP shares and Bell property purchases in November 1987. He was involved in the Bell Group share purchase in April 1988 and the subsequent

cover-up before the National Companies and Securities Commission which I will come to in a moment. He was also involved in the PICL arrangements and the attempt to deny the Parliament information on WA Inc.

Mr Trenorden interjected.

Mr MacKINNON: It could well have been. This is the Attorney General of Western Australia. He sat in at those Cabinet meetings, as Mr Ward said in his article -

That's not on. Joe's attitude is endemic of everything that is wrong with WA. We have no moral guidance from our elected leaders.

Joe Berinson was WA's law minister throughout the whole sick and sorry period of Labor administration in the 1980s.

He was either there or he was not.

Mr Kobelke: Are you saying that the Royal Commission got it wrong?

Mr MacKINNON: I will come to that if the member gives me time. I will go through the Ministers. The Minister for Agriculture sat there, we are told, like a stunned mullet and never asked any questions. We have this report comprising six books in which Ministers and Premiers are accused of being totally irresponsible in their attitude to the people of this State, yet the Minister for Agriculture says that he knew nothing, that he was one of the three unwise monkeys; he says that he saw no evil, heard no evil and did not tell any evil. He is equally as culpable and liable as the rest of the Ministers, as is the Minister for Health, Keith Wilson, the Minister for Education, Kay Hallahan, and the current Deputy Premier, who has been a member of Cabinet since 1986. I remind members of the quotation I used earlier "that the only thing necessary for the triumph of evil is for good men to do nothing".

Mr Taylor: Was that Brian Burke?

Mr MacKINNON: The Deputy Premier was present at all subsequent Cabinet deliberations on WA Inc matters. Where was he during the Rothwells rescue?

Mr Taylor: In Kalgoorlie, obviously.

Mr MacKINNON: The Deputy Premier was in Cabinet. What questions did he ask about the guarantee? In 1988, during the Rothwells and PICL arrangements, this man was Minister assisting the Treasurer, Dowding, yet says he cannot recall, and that he does not have any responsibility for those happenings. He sat in the boardroom prepared to take all the benefits of victory at the election which were obtained under false pretences because the Government lied to the people of Western Australia - and this report proves that - but he is not prepared to accept any responsibility. He is not big enough to accept that responsibility.

Several members interjected.

Mr Court: The member for Bunbury is accusing us of knowing more than they did about those deals.

Mr MacKINNON: We stood in this Parliament and told the Governments these things and its members said nothing. As the Leader of the Opposition has said -

Several members interjected.

The SPEAKER: Order! Do members care about my headache? If they do, I will play on that. If they do not I will find another reason to get members' attention.

Mr Court: You can use that only once.

The SPEAKER: This will be the once. I know this is a volatile subject and members will become heated about it but that sort of behaviour is not acceptable.

Mr MacKINNON: To answer the interjections, if members opposite were not told, they should have asked. If they did ask questions and received no answers, they should have said so in this place. They should have had the guts to stand up and be accountable. "The only thing necessary for the triumph of evil is for good men to do nothing." The member for Bunbury may be a good man; I will give him the benefit of the doubt, but he did nothing.

The Minister for Police, Graham Edwards, was in the Cabinet, as was Yvonne Henderson, as the Minister for Labour Relations. We all know what has happened to Bob Pearce. He is on

the back bench, and I admire him for doing the right thing. He is one of the few people in the last decade to have done the right thing. David Smith has been a member of Cabinet since February 1989, and Pam Beggs has been a Minister since 1986. Gordon Hill, the Minister for Fisheries was directly involved in the Burswood Casino affair when, as Minister for Police, he "lost" the Ayton report on Dempster and Genting. We all know that. It was referred to in the Royal Commission. From that day on, that man lost my respect totally. The Royal Commission may not have considered that improper, but I find it highly improper for him to receive a donation from Peter Ellett at the time when the Government was negotiating over the Midland abattoirs deal. He continues as a member of the Cabinet, the board of directors of Western Australia. He says that he did not know what was going on.

Mr Ripper: Do you disagree with the Royal Commission?

Mr MacKINNON: He said that it was nothing to do with him. He sat back and took the glory, he took the flash car, the ministerial expenses, and the trips around the world but he did not know what was going on. He did not bother to ask. He is just as guilty as Brian Burke, Peter Dowding and Julian Grill. Geoff Gallop was a member of the ALP administrative committee during 1988. He clearly also had knowledge of and approved the leader's account activity. Most members opposite knew. How else was Peter Dowding paying for all the advertisements on television? Money does not appear out of thin air, as the Premier knows all too well.

Mr Court: Do you remember this newspaper cutting?

Mr MacKINNON: I see that headline, "I am accountable." Peter Dowding said that. It states that there will be no favours. They could have fooled me!

The member for Cockburn, Mr Bill Thomas, was appointed by Brian Burke as adviser on minerals and energy. What about David Parker? Perhaps that is where the member for Cockburn learnt to change documents. Perhaps that is where he learnt to change the record; he has now had to take the rap for that!

Mr Thomas: You are getting it wrong!

Mr MacKINNON: Is the member telling me he did not know anything about what David Parker was doing? The member knew because he was working for David Parker, yet he did not say anything.

Mr Thomas: You do not have one scintilla of evidence!

Mr MacKINNON: These members are all equally guilty. What about the member for Peel, Mr Marlborough, who is never here? In 1986 he was appointed by Brian Burke to the staff of the Ministry of the Premier and Cabinet. It was a job for the boys, before he entered Parliament. Why would he support a Royal Commission? He tries to tell us he is an independent member of Parliament now, and he can endorse the Royal Commission report. Was not Mr Kobelke appointed as the executive officer to the Cabinet Secretary, Terry Burke? Did Mr Kobelke work with the Cabinet Secretary? Of course he did!

Several members interjected.

The SPEAKER: Order!

Mr MacKINNON: Mr Kobelke has the gumption to be a member of the Government. He will take the glory and the perks. I will bet that he will say there is no evidence; he will say he did not know what was going on. Terry Burke was out at a \$600 000 lunch, and many other things, but the member did not know anything.

It is an absolute disgrace that we have received the report of the Royal Commission, yet we do not know of any Government member, apart from Bob Pearce and the member for Cockburn because they were named, who took some responsibility for what happened. Does any member opposite take responsibility?

Mr Court: The Premier said today that she will not accept any responsibility.

Mr MacKINNON: Exactly! So much for the Government! The Royal Commission said that the Government is responsible, and the Parliament was mentioned. As I said earlier, the Parliament failed on occasions. The classic failure was that of the Legislative Council in 1990 when it decided not to block Supply. Considering the report of the Royal Commission,

if ever the Legislative Council had a responsibility to use its power, it was in 1990. I am very disappointed that that did not occur. The public bears some responsibility also. I said earlier in this debate that the media was to be commended because it was part of the pressure applied, but it was also part of what happened throughout that time. I remind *The West Australian* that it supported the re-election of the present Government. Before the last election, an editorial urged us to support Peter Dowding.

It distresses me now, when people like Jim Ward and Kerry Stokes talk about the situation in the media. I do not have any animosity towards these people, but they now talk about the good things surrounding the Royal Commission and what happened. However, in the 1980s we were very lonely in Opposition. Not too many people in the business world stood up and said that we were right. They were not prepared to support us for being right. Everyone shares the blame, predominantly the Government because it perpetrated the deals. The members sitting opposite can laugh all they like but they share the blame. They will carry that from here to wherever they go in life.

The Parliament, the public, the media and the business world must share the blame, as the Royal Commission report outlines. Where do we go from here? The second report of the Royal Commission will be important. We are all looking forward to it. Some of the comments by the Premier today are laughable. She talked about information provided at question time, and the fact that we should have time to ask more questions. However, I note that the member for Riverton has had a question on the Notice Paper since 25 August 1992. The date today is 3 November. The Premier talks about accountability, yet she has the temerity to say in response to the Royal Commission report that she will improve question time. I tell the Premier, who occasionally loses her way and comes into Parliament when she thinks she is somewhere else, she should start practising what she preaches. I saw Brian Burke and Peter Dowding preach a lot, and talk a lot, but I did not see them deliver much. The Premier is following the same path. The Premier should do a couple of things: One commitment that the Premier did not make today is a very important one. She must give a commitment immediately that no papers currently held by the Government will be destroyed or taken with Ministers when they go. That commitment must be given forthwith. The Royal Commission report indicates exactly what has happened: Massive documents have been destroyed.

Mr Taylor: Does that include yellow slips?

Mr MacKINNON: Yes.

Mr Taylor: What do you do with yours?

Mr MacKINNON: The Minister knows as well as I do that Brian Burke had the habit of using them all the time. He would send notes, and then they would disappear.

Secondly, we need an accurate report to Parliament by each Minister in his or her role. The Government can hide behind the Royal Commission. When has any member of Government stood in this place and explained his or her role? When has the Premier told us what she knew about the PICL guarantees? An article in *The West Australian* on Friday, 24 July, handed to me by the Leader of the Opposition, outlined an answer by the Premier of Western Australia to a question whether in July to November 1988 she believed the purpose and effect of the Government's involvement in PICL was fully and accurately explained to the public. She answered that she could not recall. The Premier of Western Australia could not recall. I believe she could recall. It is time she explained exactly to the Parliament her role. Until now the Premier has said, "Wait until the Royal Commission has reported." She now has a responsibility to tell us and through us to tell the people of Western Australia. The Royal Commission was historic, but it will have been of value only if each one of us in this Parliament accepts that the price of personal accountability and honesty is sometimes costly in the short term. A commitment from each of us is needed if the system of Parliament and Government that we know is to survive in its present form in the longer term.

DR ALEXANDER (Perth) [7.50 pm]: I will add a few things to this debate in the hope that it will not be totally one sided in the view that somehow the past 10 years are unique in our State's political history.

Mr Bloffwitch: They were fairly grim though.

Dr ALEXANDER: They were.

Mr Shave: Are you chasing re-endorsement?

Dr ALEXANDER: No way will I reverse that decision.

Mr Lewis: What about standing for the Liberal Party?

Dr ALEXANDER: The member for Applecross should not ruin my night completely.

The six volumes of the Royal Commission report presented to the Parliament are a sorry tale of impropriety, possible corruption and worse, illegality, but that applies equally to both sides of politics. A former Liberal Premier is totally condemned by the commission.

Mr Lewis interjected.

Dr ALEXANDER: It does not matter if he was the Premier at the time or not; he was a former Liberal Premier engaged in what could be only kindly described as skulduggery, and what appears to be outright dishonesty.

Mr Bloffwitch: But did he cost the taxpayers billions of dollars?

Dr ALEXANDER: I am talking about standards.

The Premiers that followed Ray O'Connor, in particular Brian Burke - according to the Royal Commissioners who have called his actions reprehensible and have concluded that he has committed a number of improprieties, not to say worse, and I guess that the Director of Public Prosecutions will deal with any illegality arising from those conclusions in due course - and Premier Peter Dowding likewise are accused by the Royal Commissioners of considerable impropriety as are senior members of Cabinet. However when one looks at the major cause of all of that impropriety from Ray O'Connor through to Peter Dowding -

Mr Trenorden interjected.

Dr ALEXANDER: Yes, as one walks down the stairs at Parliament House one gets a different view of Western Australian political history.

Those Premiers in the main were responding to inordinate pressure from the business community, the new breed of entrepreneurs.

Mr MacKinnon: You may well be right in part, but the predominant driving force behind particularly Burke and Dowding was the retention of power.

Dr ALEXANDER: It is all mixed up together. I believe that over the years Western Australian political history has been full of examples of politicians and politics being compromised by powerful vested interests. Very often those vested interests have been in the entrepreneurial business and capital sector. It is not the first time, and I guess it will not be the last time, regrettably, that a Government has ended up in the pocket of the rich and powerful. It is a matter of one's subjective view as to what extent that applies to Governments across the so-called democratic world. My observation has been, and this Royal Commission report reinforces that view, that the forces that seek to get their own way in the business world - I am not applying this in a blanket way to all business but to powerful vested interest sections - for one reason or another to advance those interests end up extracting undue favours from Government in order to achieve their objective. If Government existed in any sense to represent the public interest - and one would have to wonder whether it does - it is almost inevitable that powerful business interests in search of particular goals such as a casino licence, a major development at Scarborough beach, a petrochemical project or a private university will conflict with at least part of the Government machinery. One method which the entrepreneur promoting those ideas will use to achieve his objectives, if not outright bribery, is heavy arm twisting and astutely timed political donations some of which will be solicited and others may not. This is in no way meant to excuse the actions of individuals named in the report, but to try to broaden the debate, to put it into context.

I believe it was Karl Marx - shock, horror, fancy mentioning him in here; although it may be the first time I have done so since becoming a member, but since I am going back to the academic world I must start recalling some of these things - who said some 130 years ago that the function of Government was merely that of an executive committee to promote the affairs of the bourgeoisie. That may have been written from a slightly biased perspective and in a very different time from the 1990s. However, the general point he was making is the

very close connection between Governments and those in the business community. Governments of any political persuasion are susceptible to that influence to a greater or lesser degree. The story told by the Royal Commission in my view is one of Government seriously compromised by powerful vested interests. Let us not forget the shape of those vested interests that were responsible for Observation City, the casino and the shocking developments that have destroyed parts of our city centre. Those financial interests were a new breed of four on the floor entrepreneurs, so-called. For a variety of reasons they seem to have been welcomed by the hierarchy of the Labor Party at the time. I have spoken before in this place about the regret I have about that process and the setting up of the Curtin Foundation. I do not want to go over that same ground again, simply to say that certain entrepreneurial interests were a threat to the established financial and business interests in this State, to the large families and others who have grown rich over the years, and prospered as the State has grown. That was pointed out by ex-Premier Burke at one point. He talked about these entrepreneurs flying over the parapets of Dalkeith and striking terror into the hearts of the Dalkeith establishment. That may have been a slight exaggeration, but it was not far wrong given the amount of property that people like Connell and Bond acquired and then destroyed in suburbs like Dalkeith. There are different factions in the business and entrepreneurial world, always fighting each other to get an advantage. One sure way to get an advantage over another faction to promote its own interest is to get the ear of Government. In the end that compromised the interests of Government, some of whose members at least set out to serve the public interest.

Mr Donovan interjected.

Dr ALEXANDER: It is highly unlikely that many of those entrepreneurs would have been seen as Labor supporters. Clearly it was to their political, entrepreneurial and financial advantage to team up with the Government. They ended up causing to a large extent the mess that is WA Inc and the difficulties that we now face in our finances and in implementing social priorities. I am not trying to excuse the Government of the day in any way. I am trying to paint a broader picture so that members do not get carried away that somehow the nine year reign of the Labor Government is the only period in which there has been any corruption in Government in Western Australia's political history. Clearly, that is not the case. Many Governments before this Labor Government were seriously compromised by a similar set of interests seeking their own particular goals.

Mr Bradshaw: Who?

Dr ALEXANDER: If members consider the activities of the entrepreneurs in Perth in the 1930s in the lead-up to the Depression they will find many similar stories. My reading of the political history of the 1890s suggests that a similar set of circumstances prevailed. Certainly, the Royal Commission has made some very disturbing findings. Much of the blame for those findings can be sheeted home to members of the Labor Party, particularly former Premiers Burke and Dowding.

Mr Lewis: And the Cabinet.

Dr ALEXANDER: Let us examine the question of Cabinet responsibility. We are told that the second report of the Royal Commission will contain findings about the Cabinet's collective responsibility or, indeed, some recommendations which may make this matter clearer. It disappoints me in today's discussions so far, particularly in the contribution by the member for Jandakot who normally presents a very good and powerful argument on WA Inc, that members opposite want to go well beyond the Royal Commission's report and say that in addition to Parker, Dowding, Burke and possibly others committing improprieties, the whole Cabinet at the time also committed improprieties by being associated with those deals.

Mr Lewis: They sat in there.

Dr ALEXANDER: They may have done so. I turn to the Petrochemical Industries Co Ltd deal as a case in point. I have looked closely at the sections of the report which deal with the Government's involvement in PICL and the Rothwells bailout because I was a member of the Labor Caucus through most of that period. As I have mentioned in this Chamber before I, and most of my backbench colleagues, knew little about the PICL deal except that I had some idea that it was in the Government's interest to be involved in that deal and not to have the details of that probed too carefully.

Mr Lewis: Why is it that the Opposition knew it was an absolute scam?

Dr ALEXANDER: How much did members opposite know? Did members opposite know all of the detail?

Mr Lewis: Not the intimate detail.

Mrs Henderson: Why did you not say so?

Mr Lewis: We had debate after debate.

Dr ALEXANDER: The Opposition made certain accusations, and in hindsight many of those accusations have been substantiated. However, there was no substantiated evidence around at the time, and it took a Royal Commission to establish the facts.

Mr Lewis: People never listened to what we were saying.

Dr ALEXANDER: That is not true; I was certainly listening, as were many other members on this side of the House. I was deeply disturbed by the whole PICL deal. It illustrated to me some of the difficulties that politicians face. According to the Royal Commission's report, at the most four senior Cabinet Ministers were closely involved in that deal; that is, the Premier of the day, Peter Dowding, the Deputy Premier at the time, David Parker, Julian Grill, and possibly the Attorney General. Apart from those four members - according to the Royal Commission it seems mainly to have been Dowding, Parker and Grill - there does not seem to have been a close involvement by other Cabinet Ministers. Perhaps there was, but the commission did not find that.

Mr Bloffwitch: You cannot deny collective responsibility.

The SPEAKER: Order!

Dr ALEXANDER: It depends on how much the Cabinet knew at the time, and likewise, on how much the Caucus and the Parliament knew. If the notion of collective responsibility is taken all the way, all the members of the Labor Caucus who, in my case, reluctantly sanctioned that deal, are guilty because they did not ask enough questions. I admit that I did not ask enough questions, but does that make me guilty of impropriety as well? I do not think so. As the member for Jandakot pointed out, the final volume of the report states that the Parliament must also share some of the responsibility. Perhaps it should have asked more questions; perhaps the Labor backbenchers should have asked more questions without notice.

Mr Clarko: Did you think you would get an appropriate and complete answer? The record of the Government in this Parliament for years has been that the Opposition has received obfuscation.

Dr ALEXANDER: I am simply pointing out that the notion of collective responsibility must have a boundary somewhere. I am not sure where the boundaries should be drawn. If we take it to the ultimate the whole of the Parliament is guilty of impropriety.

Mr Clarko: I put it to you that you have asked many questions in this House, many of which I regard as excellent, but I hardly remember a time when you received an adequate answer.

Dr ALEXANDER: I agree; exactly the same thing happened this afternoon. I am not saying that we would necessarily have received good answers to those questions, but the Royal Commission's report hints that all members should have been a bit more diligent. Questions were raised from the Opposition side of the House; I remember incessant questions being asked.

Mr Lewis: There were debates.

Dr ALEXANDER: There were debates, but they occurred after the event, not before.

Mr P.J. Smith: By the same definition, probably the whole of the population of Western Australia has a collective responsibility. You say that members did not know; the public did not know either, so they are guilty.

Dr ALEXANDER: I would not go that far. The Parliament bears some of the responsibility but I do not think that many of the members of Parliament as a result could be accused of impropriety. The three Ministers most involved, Grill, Parker and Dowding, resigned from the Cabinet and paid the political price after the matter had been blown out of the water. That has been mentioned many times in this Chamber. The Opposition wants the rest of the

Cabinet who were there at the time to also resign and admit mea culpa. There will then be more chaos and an early election. The Opposition believes that somehow the Liberal and National Party will charge in on white horses and solve all of the political problems in Western Australia, and like all fairy stories, there will never again be any corruption in Western Australia, and we can all live happily ever after.

Mr Lewis: That would get rid of a corrupt Government though, wouldn't it?

Dr ALEXANDER: That would not necessarily change the processes by which the Government arrived at a corrupt conclusion.

Mr Trenorden: Those people in the know directly misled the Parliament.

Dr ALEXANDER: I am not trying to defend the misleading of Parliament. The Premier and the Deputy Premier of the day, in particular, misled not only the Parliament and then in some cases tried to justify that to the Royal Commission, but also the people of Western Australia. There is no doubt in my mind - this contributes to my disillusionment with politics - that I was re-elected to Parliament the last time as part of a Government that did not tell the truth. I do not feel happy about that.

Mr Bloffwitch: At least you have the integrity to say so.

Dr ALEXANDER: I say that now. If the Government had come clean and admitted that the \$150 million was part of the \$400 million price paid for PICL and was the final desperate attempt to bail out Rothwells rather than a fair price for a plant that never came into being and, in my view, was never likely to, and was then re-elected, I would not have felt so unhappy. However, realising that that deal, which was discovered after the 1989 election, was in many senses corrupt and was the result of an improper cover-up did not, and does not, make me feel happy about politics at all. The point is that political compromises were made in the name of the Government's being re-elected. That goes to the heart of the political process.

Dorothy Parker, the mother of David Parker, has written to me. She is very disappointed. Apparently she thought I was a man of principle, goodness knows why, until she read in *Hansard* about this matter. There are many *Hansard* watchers within this community who take the time to read our speeches. Dorothy Parker said in her letter of 28 September that she was very disappointed. The reason I am raising this will be obvious in a few minutes when I use the words that were referred to in the statement made by David Parker to the Royal Commission. In my comments which appeared on page 4940 of *Hansard* I stated that David Parker had said that Governments around the world are built on principles of secrecy and we are here to deceive the people rather than serve them, apparently, according to that view. A report in *The West Australian* of 17 October 1991, as Dorothy Parker pointed out to me, attributed David Parker as actually saying - I do not see a huge amount of difference - that Governments worldwide are built on the basis of concealment. Dorothy Parker then asked whether I had actually checked what I had said against the transcript. I had not. I, like David Black in the *Sunday Times* of 25 October, quoted from the Press. David Black's article said -

David Parker's astonishing but believable assertion that "government worldwide is built on the basis of concealment" goes to the heart of what happened between 1983 and 1990.

Indeed it does. At page 12499 of the transcript of the Royal Commission we find that in answer to the following question -

Mr Parker, just going back to that question of impropriety that I asked you about before the break, the lay person in the street might take the view that when the government is asked "What's all this about?", "What does it involve?", "Why is the government entering into this project?", if the government conceals relevant material or, if you like, gives incomplete answers . . . that it is thereby being improper; that in a sense it is misleading the public by virtue of the incomplete material being given. Now, you say that what was done on this occasion, or these occasions, was not improper. Given what I have just put to you as what might be a lay person's appreciation, in the context that we're talking about, what would you regard as improper?

Mr Parker replied -

Well, the whole of government, not Western Australian government but government worldwide, is built on the basis of concealment.

He went on to say - I did not say this, but perhaps I should have -

I mean, that's why you have oaths of secrecy. It's why you have 30 year disclosure rules about Cabinet and other similar government documents. It's why you have all those sorts of requirements for secrecy. . . . but government has a role to do whatever it considers to be best to protect the interests it's there to preserve.

That raises all sorts of questions, including just what interests the Government is there to preserve.

Mr Lewis: Governments in power.

Dr ALEXANDER: This comes back to the question of power. Quite clearly, at that point the Government sought to obfuscate the PICL deal so that people would not know the full story and it would provide a better chance for the Government to be re-elected. That is very clear from the report of the Royal Commission. Indeed, it was even made clear in the McCusker report that preceded the Royal Commission's report. Although the Royal Commission says that McCusker could not look behind the political veil - and it took the Royal Commission to do that - once the political veil was lifted it became very clear - to me, at least - that the Ministers involved in that deal, particularly the Premier and the Deputy Premier of the day, deliberately set out to mislead the people into thinking that everything was okay; that the PICL deal was a goer; that there would be a petrochemical plant; that the people should not worry about the \$400 million that was paid for the project seeming a little high because fantastic profits would be made in the future; and that their future would be looked after, a future they could believe in. Regrettably I now understand why those wags in my office who assisted me during the last election campaign turned Peter Dowding's slogan "A future you can believe in" into "A future your pet dog can believe in". I did not think that was very funny at the time, but I now see what they were driving at.

Mr C.J. Barnett: Did you believe it at the time?

Dr ALEXANDER: I had serious doubts about the viability of the petrochemical plant, about whether it was a real project. To tell the truth I was taken up, as were most backbenchers, with the business of getting re-elected. Once the Parliament had risen, those questions, like all others, evaporated. I certainly had some doubts, some of which I raised in the Caucus room, some of which I did not raise. Many others within the Australian Labor Party and in the wider community raised similar doubts. I certainly was not the only one.

We are looking at a Government's being re-elected on the basis of incomplete information going to the public. Had all the information that was known to senior Cabinet Ministers been in the public arena maybe - we will never know, but maybe - the election result would have been very different.

When David Parker said that politics and government around the world is based on concealment, he tried to justify it in terms of requirements for Cabinet secrecy. Regrettably I think he actually meant - the Royal Commission concluded as much - that the secrecy was not for any legitimate reasons of commercial confidentiality or any State secrets being released to the public, but rather to conceal the information so that the Government had a better chance of being re-elected.

Mr Bloffwitch: That is political reality.

Dr ALEXANDER: Of course it is. That is why I find the whole political process very difficult to cope with at this level. How many members in this place have not faced a situation at some stage in which they have not been pressured by different interests? In my electorate I am often at the centre of conflicting interests. We have to balance those interests in line with our requirements to serve the electorate on the one hand and with our beliefs and principles on the other. It may be that members have occasionally made a decision that was not totally in accord with their principles and beliefs but on the basis, with an eye on the electorate, of saying, "Golly, if I go too hard on this one, I might just lose a few votes".

These senior Cabinet Ministers made an art form of judging the political reality. They went too far. I agree with the Royal Commission that their actions were improper when they covered up this detail and when they did not tell the whole truth. It illustrates one of the

central difficulties of democratic, representative politics: We come under pressure from all sorts of vested interests and in our own minds we are convinced that we must take certain actions if we are to be re-elected. Often, that is probably not the case. Politicians, being politicians, will want to stay in power and to stay popular with the public and, therefore, all sorts of compromises will be made along the way towards that goal.

In the case of the PICL deal we have an example of a massive cover-up which is not justified. As an ex-member of the Labor Party I am not proud of it. The whole WA Inc saga has ripped the party's reputation to shreds. At the beginning of the 1980s it had a reputation as a party which would represent the interests of ordinary people. Whatever Minister Gallop says about the achievements of the Government, those achievements are outweighed by the improprieties which the Royal Commission has uncovered. That does not relate only to the PICL deal. I used that as an example because it illustrates the force of vested interests. Connell, Bond and Dempster were involved in selling the Government a squib and, in my view, the Government colluded with the Bond Corporation to inflate the purchase price so that it would suit the Government's political interests on the one hand and the business interests of the Bond Corporation on the other. The irony is that in the end it did not suit either. Bond Corporation went broke and I believe the Government is in difficulty because of its decisions.

Regrettably, I do not have sufficient time to refer to other issues in the Royal Commission report, which illustrates that we have before us a massive document that goes to the heart of government in this State. I repeat it is not a unique occurrence in this State's political history and, regrettably, whatever recommendations are made and adopted, in the end, this sort of thing will be repeated.

MR LEWIS (Applecross) [8.21 pm]: The report of the Royal Commission into Commercial Activities of Government and Other Matters vindicates the Opposition for its efforts over many years.

Mr Thomas: Particularly the member for Jandakot's efforts.

Mr LEWIS: The member for Cockburn said it! Members of this Parliament and the public of Western Australia should be grateful to the member for Jandakot and the Liberal Party for their efforts in pursuing the activities of this Government even though they were ridiculed and abused, particularly by members of the Government.

Mr Thomas: And back-stabbing from his own ranks.

Mr LEWIS: Government members ridiculed the member for Jandakot and the Opposition for its actions. However, members of the Opposition stood firm, through thick and thin, and this is an opportune time to inform the Government that the Opposition has been completely vindicated in all its actions.

I take members back to the spring session of 1990 when the Opposition and the public reached the conclusion that the Government should not be allowed to continue its activities. Between 10 000 and 12 000 people marched on this Parliament demanding a Royal Commission. The Opposition made a conscious decision during that session to put in place a series of structured debates to draw the attention of the Parliament and the public to what had been going on in what ultimately became the Royal Commission's 15 terms of reference. In all but one term of reference the Opposition's actions have been absolutely vindicated.

I was astounded when the Government came into this place today and tried to limit this debate to one day. The Government is up to its old tricks; it wants to run away from this issue. The member for Perth correctly said that this is a massive report because I have had great difficulty digesting the magnitude of the impropriety, corruption and nefarious dealings of this Government during the time it has been in Government. We have had nothing but a litany of dishonesty, corruption and criminality.

Mr Kobelke: Where in the report does it mention criminality?

Mr LEWIS: It will come out and it has been referred to the Director of Public Prosecutions.

The SPEAKER: Order! I have been listening to the tenor of this debate and I have no desire to curb the members of this House who try to refer to issues which are not covered in the Royal Commission report. If members want to imply criminality or corruption on the part of other members of this House I prefer that they provide some evidence rather than simply

make a statement. That has been the course of action followed in this House in the past and it will be followed tonight also.

Mr LEWIS: Thank you for that advice, Mr Speaker, but I do not need to say much more about this subject. The slowest learner in the world would get the message from the six volumes of the Royal Commission report. Perhaps we will have to wait and see what action the Director of Public Prosecutions takes. However, what I have said tonight will be proved to be true and members opposite know that they are members of a corrupt Government. Over \$6 million-worth of donations was deposited in a secret fund which was purposefully used to lead the public to believe that the Government was doing the proper thing. It was money from entrepreneurs and businessmen for Government to make decisions in their favour, and everyone knows that. The Premier even alluded to it in her speech today.

When tabling the Royal Commission report the Premier said she was outraged. Was she outraged at what the commissioners said; was she outraged at what had been disclosed; was she outraged at the impropriety and the apparent corruption that had been exposed; was she outraged because she had served in a Cabinet which was compliant; was she outraged because of her performance; was she outraged because she did not have the honour to resign her position and go to the polls on the substance of the Royal Commission report; or was she outraged that her Cabinet did not accept collective responsibility? I am outraged by all these things and so are the public of Western Australia. The Premier did not have the honesty or the integrity to say why she was outraged; all she said was that she was outraged. She was probably outraged and embarrassed because of her performance.

Over the past six years and up to 12 months ago the electorate said there was not a great deal of difference between the free enterprise parties and the socialist or Labor Party. It said the Labor Party had moved to the right and its philosophies were almost the same as the Liberals. Perhaps that was true, but the Royal Commission report spells out loudly and clearly that there is a difference between the two parties in respect of their standards, honesty, integrity and propriety, and how they conduct their business. The Royal Commission report has shown the absolute dichotomy between how a free enterprise Government and a socialist or Labor Government act. A socialist or Labor Government will do anything to stay in power and is prepared to waste up to \$1.5 billion. I recall coming into this place when the then Leader of the Opposition held up a publication which stated that the Government had wasted \$800 million. Government members said the publication was untrue and that it was a figment of one's imagination. We have now found out that the amount of money which has been wasted is not \$800 million; it is \$1.5 billion - almost double the original figure. Was the Opposition wrong in its statement?

Mr Kobelke: You increased the figure every time.

Mr LEWIS: Where is the shame of members opposite?

Mr C.J. Barnett: You were involved in WA Inc. You were a significant player. You were on the board of the Office of Government Accommodation when it paid exorbitant rent for Westralia Square.

Mr LEWIS: Yes. No shame, no humility and no apologies were evident today in the responses of the Premier and the Minister for Fuel and Energy.

Mr Read: Only two resignations!

Mr LEWIS: I am talking about the Government. The Government has not accepted responsibility.

Mr C.J. Barnett: Two people have behaved with some personal integrity, but there has been no sign from the Government of the equivalent.

Mr LEWIS: There has been no remorse. The Premier talks about electoral reform, about tightening the law in respect of political donations, and about introducing freedom of information legislation -

Mrs Henderson: Which we have done.

Mr LEWIS: That legislation was introduced in August 1989, three years ago, and now at the 11th hour of this Parliament the Premier has the gall to say that she will bring forward that legislation and she expects the public to accept that. We have heard the new-found morality of the Premier and all the things that she will do. We have heard what Peter Dowding and

Brian Burke would do, what Mr McCusker would do and what the Ombudsman would do. Let us just reflect on the McCusker inquiry. We had a long ranging debate in the Parliament about the terms of reference of the McCusker inquiry, and we stated that we did not believe they addressed fully the Government's involvement. *Hansard* is full of the self-congratulatory praises of the Government that Mr McCusker found that no Government Ministers were involved in the collapse of Rothwells and that there was no evidence that they had done anything wrong. That just indicates how good the McCusker report was. It was a whitewash; the Royal Commission threw Mr McCusker's report into the rubbish bin. Mr McCusker did not have the capacity to delve fully into the Government's dealings, and his inquiry fell short of what it should have done. I am critical of Mr McCusker for not recommending that further action be taken into what the Government had done, rather than stating in his report that he found no evidence of wrong doing. What do members think the Royal Commission found in the six volumes of its report? We stated in the Parliament that the terms of reference of the McCusker inquiry were inadequate, and members opposite laughed and voted against the motion to broaden those terms of reference. Mr McCusker also has something to answer for.

Mr Kobelke: You are atrocious.

Mr LEWIS: No, I am not. The Premier tried today shamelessly to take credit for the appointment of the Royal Commission. She stated a few days ago at a Press Club luncheon in Canberra, which she instigated, that one of her major achievements since she became Premier was the appointment of the Royal Commission, and that the other was the wellbeing and togetherness of the State of Western Australia. Have members ever heard anything so insipid and pathetic? It was not the Premier's Royal Commission. It was the people's Royal Commission, because the pressure for the appointment of a Royal Commission reached the point where the Premier could resist no longer. The member for Jandakot, the Premier's brother, and the People for Fair and Open Government, were some of the people who forced the Premier to appoint the Royal Commission.

The final straw that broke the camel's back was when the Ombudsman was commissioned to report on a file on possible corruption at the Burswood Casino, a file which the Minister for Police had lost for two years, and said, "Enough is enough; there must be a Royal Commission." The Premier now has the gall to say that it was her Royal Commission. The Royal Commission found that the great Australian Labor Party was the guilty party. Let no-one challenge the fact that the Labor Party is the guilty party. Members opposite know it, we know it, and the public know it. The magnitude of the findings of the Royal Commission is a litany of this Government's nefarious dealings, dishonesty, corruption, and all of the things about which we have been talking for so long. All of those things are so deep in the frustration of the Opposition, because when we tried to tell the public about the dealings of this Government, we were lampooned, and members opposite threw comments across the Chamber time and time again and said, "Where is your evidence?" and, "You do not know what you are talking about." Today is our day, and we are ready to stand and say that everything we said then has proved to be true.

Mrs Henderson: You have not even read the report.

Mr LEWIS: I will go into that. The report is of such magnitude that one cannot do justice to it as a whole in half an hour. However, I will deal with the Teachers Credit Society, which was a disgraceful affair in which the Government was finally caught out. There was maladministration and an absolute cover up on the part of the Government, but even more disgraceful than that was the subterfuge, untruth and impropriety of the Government in trying to blame the Opposition for the loss of over \$100 million.

Mr Bloffwitch: The shame of it all is that the Government tried to blame the Opposition by saying that it caused the run on the TCS. The Royal Commission dealt with that matter pretty well. Those claims were unsubstantiated.

Mr LEWIS: Yes. I was mentioned in the report, as also were Mr Lightfoot, the former member for Murchison-Eyre; Mr Simpson, the President of the Liberal Party at the time; and Mr Ian Laurance, the then member for Gascoyne and Deputy Leader of the Liberal Party. I can remember the day when, after 12 months, everyone knew that TCS was insolvent and on the verge of collapse and Premier Burke announced that a manager from the R & I Bank Ltd would be put in place. A few days later, the R & I Bank Ltd was put in control of the TCS.

The dreadful circumstance is that that happened about 8 September 1987 and as early as July and August 1986 an auditor's report of the Teachers Credit Society was made known to then Premier Burke. He admitted to the Royal Commission subsequently that he knew about the parlous situation of financial management at that society - just about everyone in Western Australia knew about that. This involved the classic four on the floor like the Tillis, Turners and Martins.

Mr Thomas: Keith Simpson knew a bit about it.

Mr LEWIS: The member should not go too far! He knows very well the findings of the report.

Mr Thomas: That does not mean that he did not know.

Mr LEWIS: We all knew what was going on at Teachers Credit Society - the Government knew; the whole of Perth knew. In August 1986 the four on the floor, as they were known, owed approximately \$46 million to the Teachers Credit Society, which represented about 13 per cent of its total borrowings. Of course, each of those borrowers was over the limit of the capital base of the society.

The dreadful aspect was that the then Registrar of Cooperative and Financial Institutions, Mr Brotherson, knew that under the Credit Union Act such an institution could not lend to a body corporate - it could lend only to a natural person. Notwithstanding that these borrowings continued, Mr Brotherson and Mr Burke did not take any action to curb the lendings to the corporate bodies. On that occasion the registrar did not do his job.

The Government also knew that the Teachers Credit Society was insolvent from approximately December 1986. The society went to the R & I Bank, which became so concerned that it went to the Reserve Bank of Australia. The Reserve Bank and the Government were concerned, but the Government hid it.

In the following March a run on the credit society occurred, which the Government suggested was instigated by the Liberal Opposition. Nevertheless, as of July 1986 the debt of the big four was \$46 million, yet by July 1987 this figure had blown out to a massive \$131 million! During this time then Premier Burke and the new registrar, Mr Metaxas, sat on their hands and watched it happen.

The reporting on the building society collapse has shown that the registrars, Mr Brotherson and Mr Metaxas, did not exercise sufficient supervision, and finally Mr Metaxas surrendered or devolved his responsibilities to Messrs Edwards and Lloyd who were the wheelers and dealers of the corrupt Government of the day. They appointed a manager from the R & I Bank, but the society should have been placed under administration. Therefore, Mr Metaxas failed in his duties.

The Government supported the society over that 12 month period without any understanding or measure of the liability that might eventuate. During this time Mr Burke knew the situation, as did Mr Edwards, Mr Lloyd and, dare I say, the Cabinet.

When the society finally collapsed, Mr Burke made an announcement. The Opposition then moved in the Parliament to establish a Select Committee to inquire into the affairs of the Teachers Credit Society. During question time the next day Mr Burke said that Mr Simpson had withdrawn his money from the society, and that the Liberal Party had conspired to cause a run on the building society. In the course of debate regarding the establishment of the Select Committee, Mr Pearce referred in explicit detail to Mr Simpson's withdrawal of funds from the society. He explained how I supposedly had addressed an aged person's group and told these people to withdraw their money; it was also claimed that Mr Lightfoot, Mr Simpson and I had deliberately conspired to cause the run on the society.

The Royal Commission report found that these claims were complete fabrications. The dreadful aspect of this is that this Government should have accepted responsibility for the \$129 million-odd lost, yet it deliberately shifted the blame onto the Opposition. The Government convinced the public that the Opposition was involved in some nefarious way to cause the building society to collapse. The Royal Commission report absolutely vindicated the Liberal Opposition, which had no part in this matter. It was a complete fabrication, particularly by Mr Clarke, and a contrivance of Mr Burke and then Ministers Pearce and Dowding to shift the blame from an incompetent Government onto the Opposition.

Let us consider the Royal Commission's findings -

The failure of the Society represents a sorry chapter in the history of the finance industry in this State.

How true. This was presided over by this Government and resulted from the incompetence of two Registrars of Cooperative and Financial Institutions. The report continues -

However, the Registrar was well aware of the problems, although thereafter the Registry failed to exercise sufficient supervision of the Society. To a degree, Mr Edwards and Mr Lloyd eventually filled the vacuum and, after the lapse of some time, Mr Edwards forced the Society to appoint a manager as a prelude to placing it under administration.

It further reads -

The Government agreed to support the Society without knowing what its ultimate liability might be.

A commissioner of the R & I Bank was found to have acted improperly by single-handedly and unilaterally overturning a decision of the board of that bank. He advanced \$18 million to the Teachers Credit Society when it was insolvent. This was known by the Premier and the bank board, yet Mr Phillips overturned that decision on the basis of political favours to his mates Mr Edwards and Mr Lloyd.

The report then goes on to mention how the office of Government media at the Ministry of the Premier and Cabinet had leaked confidential information regarding the then President and Deputy Leader of the Liberal Party. It finds that this was a disgraceful occurrence but because the commission cannot find out how it was done, no-one can be charged with acting with impropriety. However, Mr Metaxas acted with impropriety in making the information available to Mr Burke, and a provision in the relevant Act indicates that Mr Metaxas can face a fine of \$2 000 or one year's imprisonment. Mr Burke and Mr Pearce, who used that information in this House, acted with absolute impropriety. They publicly disclosed the financial affairs of private citizens.

When the Opposition moved a motion of censure against the Premier in March, the Opposition suggested that the member for Armadale and Mr Metaxas should resign, yet the Premier defended them suggesting that they should not resign because they had been found to have done no wrong. The member for Armadale knew in his heart what he had done and he should have had the good grace to resign then. I do not accept the comment that he has been big enough to resign now, like the member for Cockburn. They knew what they did; they should have resigned at the time instead of being found out and being forced to put in their hat and say they are sorry for what they did.

Mr Thomas: Do you know what you are talking about?

Mr LEWIS: I do. I know the member for Cockburn was dishonest also.

Mr Thomas: When?

Mr LEWIS: The member for Cockburn fabricated the records of Cabinet; that is how dishonest he was. The member for Armadale said he has been in Parliament for a long time and, although allegations had been made, they will never get him. Where is he tonight? He has gone with his tail between his legs because he has been caught out. It is about time. He has been one of the worst offenders. He was convicted of criminal contempt of the Supreme Court, yet he still did not resign. He should have resigned in the first instance. It took this Royal Commission report to finally nail him. I am not sad to see him go because he is one of the most dishonest exponents in this Parliament.

MR THOMAS (Cockburn) [8.50 pm]: I wish to use this debate to comment on the points made about me in the Royal Commission report and to which the member for Applecross has just referred. Members will be aware that on 20 October I resigned as Parliamentary Secretary of the Cabinet and gave a very brief explanation about that to the House. I had only received the report some hours before and I was, therefore, not in a position to elaborate. I would like to make a plea to members of this House. I believe that I have been wronged by the Royal Commission report. Quite simply, the Royal Commission has come to an incorrect conclusion about my actions. I invite members of the House to make an

objective assessment of the facts concerning those comments and to evaluate the report in light of them. I suggest members will come to different conclusions from those of the Royal Commission.

Mr Omodei interjected.

Mr THOMAS: I have only 29 minutes to reply to a complex matter.

Mr Omodei: Explain your involvement of the meat industry working group while you are on your feet.

The DEPUTY SPEAKER: Order!

Mr THOMAS: I do not know what the member for Warren is talking about. The comments made about me in the Royal Commission report concerning events which occurred this year are those to which I object. There was no finding in the report of corruption, illegal conduct or impropriety pertaining to me in relation to the Burswood Casino term of reference. However, I believe the fact that the comments that were made were what lawyers would describe as obiter dicta comments; that is, incidental comments not related to the central findings. Nonetheless those comments reflect on me. In my resignation as Parliamentary Secretary of the Cabinet I made no concession of wrongdoing; I explicitly denied any wrongdoing. However, I wanted to create a situation where my continued position as Secretary of Cabinet was not of itself an issue and I would be free to defend myself against the comments. It should be understood that I did not become Cabinet Secretary until 1989. However, in that capacity I was responsible for custody of earlier records which were made available to the Royal Commission as it sought them. Members should understand that once the Royal Commission was under way it required access to many records in my custody. It was given full and free access to all those records. At no time was a suggestion made by anyone of any deficiency in the records relating to Cabinet from 1989 when I was Parliamentary Secretary of Cabinet and directly responsible not only for the custody, but also the accuracy of the documents.

The Cabinet record is a leather bound official record of Cabinet; it is a record of decisions only and is kept largely for continuity. It dates back to the 1890s at the beginning of responsible Government in Western Australia. It is not the working record of the Government. It was discovered early during the casino investigation that there was no record of a decision approving the construction of a casino on Burswood Island in early 1984. No doubt this appeared sinister to the investigators at first. Consequently, they wanted to look further to find out what decision had been made in 1984. They knew a decision had been made because of contemporary announcements about the casino. The explanation was able to be discerned from evidence and records which existed elsewhere in the Ministry of the Premier and Cabinet among the working records of Government where the decisions are recorded and ancillary documents such as minutes, handwritten decision sheets and associated stationery, as well as actual formal decisions, are kept. They are kept on hard copy for some time; these days they are also kept on computer. After a period they are microfiched and ultimately sent to the Battye Library for archival purposes. It was able to be ascertained that on 2 April 1984 Cabinet did not wish to make a decision about the casino on its own. On page 8 - 7 of the Royal Commission report it states that no formal decision had been made, but Cabinet had decided to award the right to construct a casino on Burswood Island to Tileska Pty Ltd, but it did not want to make that decision on its own, it wanted to take it to the full caucus. Members who were in political circles at the time will be aware that the construction of a casino was controversial within the Labor Party and elsewhere. Presumably that is why Cabinet wanted endorsement from the full caucus for that decision.

As a result of that, the handwritten note of the Parliamentary Secretary of the Cabinet indicated that the decision was deferred to caucus. The official Cabinet record does not record deferrals; it records only decisions. It went to caucus, a decision was made by caucus, but not by Cabinet in that sense. The matter did not go back to Cabinet and, therefore, did not make it to an official Cabinet record. It certainly made it to the working records of Government and was acted upon. The explanation for the absence of a decision in the official Cabinet record is as simple as that. That situation seems to me to be quite innocent and the Royal Commission came to the conclusion that that was quite innocent.

Mr Bloffwitch: It was wrong.

Mr THOMAS: Even if it were not innocent it is no reflection on me because I was not a member of Parliament then. I was certainly not Parliamentary Secretary of the Cabinet. However, until fairly recently, I have been responsible for the custody of the records such as they are. The records were made available to the Royal Commission as it wanted them whenever it wanted them.

Mr C.J. Barnett: I notice how your colleagues are not interested in your explanation. None of them is here.

Mr THOMAS: That may be the case. I hope the Deputy Leader of the Opposition is interested.

Mr C.J. Barnett: I am paying you the courtesy of listening to you.

Mr THOMAS: I can assure the Deputy Leader of the Opposition that my colleagues have heard it at other meetings; they know the speech.

Mr Shave: You are not saying you practised it off pat before you came in?

Mr THOMAS: I have given the speech at other venues. The member for Melville will be pleased to know that some of those venues drew participants from his electorate as well as mine and my comments were well received. In any event, the fact that this decision was not recorded in the official Cabinet record was the subject of a submission to the Royal Commission by counsel assisting, Mr Martin. In summing up in the casino term of reference Mr Martin said that the Cabinet record was incomplete. He said -

The records of the government of the day are of vital importance and it is clear that in a sense if you take the records of caucus as being the records of the government it might be said to be accurate but Cabinet is such an intrinsic part of the whole process that there should be, we suggest, accurate records.

It was drawn to my attention that the senior counsel assisting the Royal Commission had said that the Cabinet record in this matter was deficient. A suggestion was made that we should draw up an erratum to correct the error; that is, we should say that there had been an error in the keeping of the Cabinet records in this matter and we should enumerate the situation as the other documents disclosed it to be and place an erratum in the record in the same way that if a book is wrong, an erratum is placed at the front of it. An erratum is not an attempt to change the record or hide an error. A book with an erratum at the front is usually labelled "erratum" and refers to page references where the errors are contained. It says that the book, as originally printed, was in error. This document is called an erratum.

Mr Bloffwitch: You were not there; how would you know?

Mr THOMAS: I am coming to that. I had no direct knowledge. I am coming to what I did know, however, and how the erratum was compiled. However, in case anyone might suggest that we were trying to tamper with or doctor the records, as some people have tried to construe my actions, the preamble to the erratum - I refer members to the documents which were incorporated in *Hansard* on 20 October on page 5583 - states -

The decision appearing below was not included in the Cabinet record of 2.4.84 due to an administrative oversight. Its omission went unnoticed until discovered by inquiry officers assisting the Royal Commission into the Commercial Activities of the Government and other Matters.

That seemed to me to be a fairly straightforward thing to do. Firstly, it gave credit to the Royal Commission for having discovered the fact that no decision was recorded and it described, as best we could ascertain it, an administrative oversight; namely, the decision had been recorded as a deferral, had gone to Caucus and had not come back. There was no need for it to come back because, essentially, after Caucus had made the decision it was acted upon. It never went back to Cabinet and I thought it was quite proper to describe that as an administrative oversight. I wrote to the Royal Commission and told it what I had done. I enclosed an extract of Mr Martin's closing remarks to the Royal Commission on the casino reference showing where he had submitted that there was a deficiency, that the record was not complete, and enclosed a copy of the erratum. Therefore, the Royal Commission knew precisely what we put in.

The Royal Commission described my action in placing an erratum in the Cabinet record as

"obfuscation" - that is, to confuse or to darken the situation - and "discreditable" - that is, to engage in actions which lead one to be not believed or to lack credibility. Quite frankly, I regard those comments as bizarre and unwarranted. For someone to suggest that placing an erratum in the record and mailing a copy of it to the Royal Commission is obfuscating or is discreditable is beyond the pale.

The Royal Commission referred to the terms of the erratum. I did not believe that it was my job or open to me to go behind the documents that existed in the records of the Ministry of the Premier and Cabinet. I had to take the records, such as they were, and place an erratum in them. It was not for me to interpret the evidence then before the Royal Commission or to go behind the records, if members like. It was my job to make a clerical transposition of the records which existed in one part of the ministry, namely the filing system, into another part of the ministry, namely the official leather book. File number CS8402954 is the record that relates to this decision. In that file is a Cabinet minute and a record of the decision. Those members who are familiar with Cabinet stationery will be aware of those sorts of documents. Essentially one, the minute, is the proposition that goes to Cabinet with the recommendation, and the other is the record of the decision that has been made. There were some unusual circumstances relating to this decision and the Royal Commission made some comment on them. However, I stress that those unusual circumstances had nothing to do with me. I was not a member of Parliament or of Cabinet and I was not a member of the Government's staff involved in the matter at that point of time. What happened was, as I indicated earlier, Cabinet made a decision to recommend that the right to build a casino on Burswood Island should be granted to Mr Dempster's company. This was reported to Mr Les Smith, an executive officer in the Premier's Department as it then was, he was told that the Cabinet had decided to award this right to that company and asked him to prepare an appropriate letter. As the Royal Commission report records at page 8 - 7, Mr Smith thought that was wrong, and that, as the call for expressions of interest had not indicated a decision for one site, he felt that it should be open to other people who had expressed an interest in building a casino elsewhere to also express interest in relation to that site so that everyone could say that they had been able to have a go at the Burswood Island site. For instance, someone who had devoted years of his or her time and energy to another site such as the Majestic Hotel would be able to focus his or her attention on the chosen site.

Mr Smith then had discussions with the then Premier and produced a series of documents during the afternoon. He managed to persuade the then Premier, Mr Burke, of the wisdom of his advice and Mr Burke then decided - we do not know whether he rang Cabinet members or in what sense he squared off with his Cabinet - that the decision he would take to caucus was that, rather than granting the right to one company which expressed an interest, it would be open to anyone to submit a proposal for the Burswood site. Therefore, the document that appears in the Cabinet record is a minute which purports to be, on its own terms, a recommendation to Cabinet on 2 April 1984 which includes that recommendation. It is in the name of the Premier and the Minister for Administrative Services and is, as the evidence discloses, a document which was prepared after the Cabinet meeting by Mr Les Smith. That action is described by the Royal Commission as, notwithstanding the number of irregularities that occurred, being defensible and probably above criticism. That is the Cabinet minute which, for those who are not familiar with Cabinet stationery, is a submission to Cabinet that appears on the files. It is dated 30 March 1984 but, as we know from the subsequent evidence, the original minute was dated 30 March 1984 for a Cabinet meeting on 2 April 1984 and was prepared in the afternoon of that day and approved by the Premier.

The document dated 4 April 1984 states that after discussion at the Caucus meeting on Tuesday, 3 April 1984, Cabinet approves. That was approved by the Premier. For those who have followed this sequence, a Cabinet meeting was held on 2 April 1984 and a Caucus meeting was held on 3 April, on the following Tuesday. There was not another Cabinet meeting until 9 April, in the following week. On 4 April 1984, the Premier approved a document prepared for him by Mr Les Smith, an executive officer in the Government who is described as a loyal and courageous public servant. I am sure those who have known Mr Smith in his various capacities will agree with that description. The document states that Cabinet approves following consideration of Caucus on Tuesday, 3 April 1984, and then enumerates the decision. Of course, we all know Cabinet did not approve it other than in the wider sense that the Premier may well have obtained a mandate personally from the

Ministers to take a revised recommendation to Cabinet, or in the sense that the members of Cabinet are part of the Caucus and once Caucus had approved of the proposition, it could be taken that the Cabinet was part of the process.

I refer to Appendix A on pages 5585 and 5586 of *Hansard* a fortnight ago which is a copy of the erratum in the official Cabinet record. That illustrates the standard format of Cabinet records. It enumerates recommendations in the minute and states "CABINET approves" followed by details of the proposition approved. That is the Cabinet record in relation to all decisions and it contains the recommendations in the original minute and then the decision. I had the task of approving an erratum. I used the minute signed by the Premier which had one set of recommendations and the Cabinet approval sheet dated 4 April 1984 which said Cabinet had approved a particular position. Both were prepared by Mr Les Smith. There was no Cabinet meeting after 30 March and before 9 April other than the meeting on 2 April. Hence, that is the date under which it is recorded. The erratum is derived entirely from the documents which existed in the files of the Ministry of the Premier and Cabinet. If those files are incorrect in any sense, it can only be said they are incorrect because they do not precisely record the sequence of events. The only reason for that is that the standard format in which they are phrased does not envisage the sequence of events that actually occurred. They are an accurate record of both the minute prepared on the afternoon of 2 April and the decision finally made and subject to documentation on 4 April 1984. Hence, the erratum prepared by me was accurately derived from the files which appear on the records of the Ministry of the Premier and Cabinet and are an accurate record of the decision actually made.

What did the Royal Commission say about my actions in doing this? It said I was obfuscating; that is, seeking to darken or obscure the record. The simple fact of the matter is that the record was incomplete. Mr Martin stated in his closing address that the record book was incomplete. By taking the documentation which appeared on the records of the ministry I was simply transposing from one set of files in the department information that should have been in another set, according to the submission by Mr Martin. If that information had been put in the book in 1984 in accordance with the format of recording the recommendations in the minute and the decisions ultimately made, it would have been in precisely the form in which I had the erratum prepared. How can the Royal Commission in any proper sense describe my actions as obfuscating or seeking to darken or obscure? I find it incredible that such comments should be made in those circumstances. The Royal Commission then said that I was acting discredibly. To do so is to undertake an action which reduces one's credibility; that is, to create a situation where it might be doubted whether one was telling the truth or behaving honestly. My actions in relation to this matter demonstrate my behaviour was not discreditable; that is, behaviour likely to lead to one not being believed. Not only did I do as I have outlined, but also I wrote to the Royal Commission and said that on the basis of the submission by counsel assisting, Mr Martin, I had taken certain actions. If the Royal Commission thought I should not have taken that action, it could have written and suggested I should not include an erratum. I believe the word "discreditable" is beyond the pale in terms of describing my action.

Mr House: If you broke into a shop and rang the police the next day to tell them you had done it, would that make it right?

Mr THOMAS: The analogy is inappropriate. I was not involved in a theft, I was seeking to complete a record. Finally, the statement made by the Royal Commission, on page 8-70, refers to the alteration of the Cabinet record and summarises its position by saying the Cabinet records serve two important purposes. The first is as an accountability mechanism and the second is as an accurate historical record of Government in this State. The report states that my actions offend both objectives. The accountability function - that is authorisation for action - is not derived from the Cabinet document to which I have referred. That document is a ceremonial bound leather book which is kept for the purposes of continuity. The accountability mechanism is contained in the working records of the department, which today are computerised and may have been at that time. The records do not derive from that document. In any event, they are much better served if the record is complete than if it is incomplete. In terms of historical accuracy, with regard to the sequence only, the ministry file relating to that decision implies events other than what occurred. As I indicated to the House earlier, I did not see it as my job to go behind the official record. They do not stand alone. An historian investigating the sequence of decision making, to the

extent that he considered the sequence of the events that took place relevant - as I indicated earlier the Royal Commission found the ultimate result beyond reproach - would find that the other official documentation supplements the Cabinet record. Now, of course, we also have the Royal Commission report. If I were seeking to rewrite history or mislead a student writing a thesis for a PhD on the decision making process leading to the establishment of the casino, I could not in any sense mislead that student because the other documents exist in the department. The action taken by me was in the open in what was essentially a clerical exercise of transferring information from one part of the record system to another. It seemed that Mr Martin, counsel assisting the Royal Commission, had suggested that that should happen.

That essentially is my position in relation to those comments about me. They do not constitute a finding of impropriety. They are what lawyers describe as obiter dicta; that is, incidental to the judgment made. However, I found them very distressing and hurtful.

I always attempt to conduct myself in public office with honesty and integrity. In seeking to correct the Cabinet record, or complete it, as I did, I was acting openly and honestly. I have been at a loss to try to understand the comments made by the Royal Commission. The kindest interpretation I can make is that they had a big job to do as they sat for over 500 days and took over 50 000 pages of transcript. In those circumstances, I suggest that anyone can make a mistake. In making those assertions of fact about my motives, which are demonstrably incorrect and which I deny, it has made an error. Anyone can make a mistake, even three judges when they have a big job before them. That is precisely what they have done. The comments represent loose language in relation to actions taken honestly and openly. By doing so, the Royal Commissioners have demeaned their standing and that of their report. This is only a small aspect of one reference but it has hurt me deeply and to that extent I am justified in defending my position and will continue to do so.

MR C.J. BARNETT (Cottesloe - Deputy Leader of the Opposition) [9.21 pm]: I will comment on fuel and energy matters in my response to this motion on the report of the Royal Commission. A clear dichotomy exists between the terms of reference pre 1983 and post 1983 which relates clearly to two aspects. First, there is much evidence of impropriety after 1983 and evidence of propriety and honourable motives pre 1983. The obvious difference is that pre 1983 there was a Liberal-National Party Government and post 1983 a Labor Government. The terms of reference after 1983 that impinge on the fuel and energy area in particular relate to the Fremantle Gas and Coke purchase and the finding of the Royal Commission in respect of that matter related to the conduct of Mr Burke and Mr Parker, which was highly improper. Other findings relate to the \$15 million prepayment for coal purchases and subsequent deposit of that money in Spedleys, again resulting in conclusions that did not reflect well on the people involved from the Labor Government.

I turn briefly to the terms of reference related to the period pre 1983 which relate to the latter years of the Liberal-National Party Government. Those terms of reference cover two aspects: Firstly, the North West Shelf natural gas sales agreement and, secondly, contracts for the Perth to Dampier natural gas pipeline. In my view the Premier deliberately included the terms of reference related to the North West Shelf contracts and the gas pipeline in an attempt to convey an impression to the public that all members of Parliament and all Governments behave in a corrupt manner. The Premier deliberately attempted to slur the previous Liberal-National Party Government and, in particular, former Premier Sir Charles Court.

During the 1980s David Parker on numerous occasions attacked the North West Shelf gas contracts and the performance of the Court Government. Despite the fact that Premier Lawrence over the past year or so has said she would wait until the Royal Commission reported that did not stop her from also attacking the previous Government and Sir Charles Court. In a Press release of 17 February this year the Premier stated -

"This means SECWA - through its customers - has to pay for gas which remains in the ground," Dr Lawrence said.

"This wasteful use of money is a direct result of political interference by the Court Liberal Government in forcing the State Energy Commission to buy far more gas than it believed it could sell," Dr Lawrence said.

That was a clear attack on the North West Shelf contracts and Sir Charles Court and contained a clear implication that political bias affected his decision making.

Let us look at what the Royal Commission had to say about that term of reference. The reserves of the North West Shelf were proved up by 1971. There was then a period of little activity during which there was a dispute between the Commonwealth Government and the State Government about the sovereignty of those reserves. In 1975, when Sir Charles Court became Premier, he went out and sold the project. He visited the headquarters of the major corporations around the world, unlike the current Premier who did her selling in Canberra. He sold where it mattered; that is, internationally.

In 1977, as a result of that effort, a memorandum of understanding was signed between the joint venture partners and SECWA. In 1978 a back to back memorandum was signed between SECWA and Alcoa. In 1979 the agreements were finalised and the State agreement Act passed. The conclusion of that vast and complex project was not easy. It occurred because of a very active prodevelopment Government. It concluded a difficult and complex negotiation but, more importantly, the project proceeded successfully and now stands as Australia's major single export earner.

What did the Royal Commission have to say in its report about the allegations of impropriety and the like? As I said at the outset, the commission had been required to inquire whether there had been corruption, illegal conduct or improper conduct in respect of the natural gas sales agreement entered into by the State Energy Commission of Western Australia for the purchase of natural gas from the North West Shelf joint venturers. The commissioners' first conclusion at point 2.17.2 was -

At the opening of this term of reference, we were informed by Commission staff that, despite invitations extended both publicly and privately, no allegation of impropriety, illegality or corruption in relation to the signing of the original gas sales agreements or subsequent amendments or variations had been received.

In other words, nobody actually complained. The Premier put that term of reference before the Royal Commission in an attempt to slur Liberal-National Party Government and Sir Charles Court. When it came to the crunch and advertisements were placed no one complained - not a single complaint was made. The commission had to search for a complaint and the only one it could find was made by David Parker in a publication he released titled "The Implications of the North West Shelf Sales Agreement" in August 1985. Mr Parker alleged in that that the Court Government entered into that agreement at a time of declining demand, so he implied some economic ineptitude. He also alleged that the Court Government entered into the agreement because it wanted to sign it and conclude it in the lead up to a Federal election. The Royal Commission had the following to say at point 2.17.11 -

The evidence leads to only one conclusion and that is that SECWA entered into the Memorandum of Understanding and exercised the option contained in it of its own volition and free from political interference.

The Royal Commission concludes later that there was no evidence to support Mr Parker's claim that it was apparent by 1980 that the gas market was declining. Indeed, the evidence is all the other way affirming SECWA's view and the view of those advising it that the gas market was likely to increase. The commission said later on that the only conclusion open on the evidence was that the timing of the signing of 30 September was not related to the impending Federal election and neither the Government nor Mr Jones was motivated by political guile or any desire to benefit the Federal Government of the day.

It is quite clear that there was no substance to that term of reference for the Royal Commission, and there was no finding of impropriety; in fact, the whole inquiry into that term of reference was effectively a waste of money and done solely because the Premier hoped she might be able to slur the previous Liberal National Party Government and Sir Charles Court. She failed absolutely - a 100 per cent failure rate.

With respect to the second term of reference, the natural gas pipeline contracts, the gas pipeline from Dampier to Perth was built in the years 1983-84 at a cost of \$930 million. The Government continues to blame that gas pipeline for high electricity prices and for SECWA's debt levels. I note that the pipeline was completed within budget and, under the

back to back agreements, Alcoa effectively met approximately half the cost of that project. That seems to have been forgotten. The proposal for the construction of the pipeline was that it be constructed in three sections, the northern, the central and the southern sections, and that the construction companies be invited to tender on a competitive basis. One of the companies that tendered was ICC, a Korean company which at that stage had little or no experience in pipeline construction. However, at the same time ICC was actively involved in negotiations with the Government for a proposal to build an aluminium smelter in Western Australia and an associated power station. ICC got into its mind that the three projects - the aluminium smelter, the power station, and the pipeline - somehow should be seen as a single project. It wanted a construction role in all three projects. Meanwhile, SECWA had let out a contract for the northern section of the pipeline. That contract was won by an Italian company, Saipan. The Government was keen not to offend ICC. It was keen to keep ICC interested in the aluminium smelter and the power station projects. Some evidence of that is made clear at page 3.15 of the Royal Commission report -

Mr Kirkwood was obviously extremely enthusiastic in his pursuit of the goal of obtaining an aluminium smelter for the State of Western Australia. The risk of an adverse reaction from ICC, should it not have been invited to tender, would undoubtedly have caused him great concern, and the strong likelihood is that he decided to add ICC to the list, with the approval of Mr Jones, in order to avoid jeopardising the future prospects of securing the participation of ICC in the construction of an aluminium smelter and power plant in Western Australia.

After a protracted period of negotiation and some encouragement by the Government, eventually a joint venture was formed between Saipan, the Italian company, and ICC, the Korean company. ICC was in it mainly because of its interest in the aluminium smelter. Saipan was in it because of its undoubted expertise. They formed the joint venture and effectively constructed between them the whole of the pipeline. They did so below budget and on time. The end result was a successful pipeline construction. It is true that the middle and southern sections were not put out to competitive tender. The consequence is that the pipeline probably cost some \$12 million more than it otherwise would have. Nevertheless the total project was still well below the total budget cost. The Royal Commission concluded on this term of reference, at page 3.59 -

There was no evidence of impropriety in relation to the contracts for the construction of the pipeline, apart from isolated incidents involving Mr Kingsmill and Mr Miller.

At page 3.60 it states -

Despite the extra cost of the pipeline because two stages of the three-stage project did not go to tender, the contract came in under budget and on time. The extra cost arising from the participation of ICC was assessed as being between \$12.5 million and \$15.5 million.

I wanted to mention those two terms of reference to point out that negotiations which were covered by the Royal Commission - I think wrongly - showed that the projects both succeeded and cost less. There was no evidence or serious allegation of impropriety. There was no finding of any sort of misconduct or inappropriate behaviour by anyone at SECWA or in the Government. The actions of the Court Government were totally vindicated. What a sharp contrast between that and the events post-1983.

I now turn to some of the events involving fuel and energy after 1983. I will not talk about Fremantle Gas and Coke, because that is a separate issue. I will not have time to talk about the infamous \$15.5 million Western Collieries transaction where the Government through SECWA effectively made a prepayment for coal for the sole purpose of supporting Rothwells rather than for the legitimate needs of SECWA and its fuel supplies. I wish to comment about matters arising in respect of the liquidation of Rothwells. These matters reflect the unanswered questions on matters dealt with by the Royal Commission. The provisional liquidators had been appointed for Rothwells in November 1988 after the then wastage of many hundreds of millions of dollars of taxpayers' money. Even despite that massive injection of public money, at that stage there was still a shortfall in Rothwells of \$63.3 million. That was of concern to the liquidators. It looked like the depositors in Rothwells would receive 67¢ in the dollar, and that outcome was of clear political concern to the Government. Again, despite the fact that Rothwells was in provisional liquidation, it

seems the Government did not give up. It was recognised that a significant asset of Rothwells at that stage was Western Collieries Limited. Indeed, Rothwells had purchased Western Collieries for \$130 million in April 1988. The provisional liquidators then offered Western Collieries for sale at a price of \$145 million. No-one was interested at that price. The Government then invited offers and by the closing date it received three offers to buy Western Collieries. One offer was from Wesfarmers at \$95 million. This is all in the Royal Commission report. At the same time as the sale of Western Collieries was being negotiated by the provisional liquidator, SECWA was engaged in negotiations with coal companies for coal contracts. On 19 April 1989 SECWA signed an agreement with Western Collieries for a significant increase in the purchase of coal. The following day, 20 April 1989, the provisional liquidators met with Wesfarmers to encourage an increase in their bid for Western Collieries from \$95 million to \$145 million, the original price sought. On 10 May 1989 Wesfarmers agreed to pay \$145 million for Western Collieries, a full \$30 million above its original bid; one-third of an increase on the bid price. It was clear, and the Royal Commission regarded it as clear, that part of the reason that Wesfarmers was willing to pay more for Western Collieries was that the value of Western Collieries had been significantly enhanced by contracts with SECWA to buy additional coal negotiated around that time.

I quote now from page 20 - 77 of the Royal Commission report -

There has been considerable press and other public speculation on the nature and timing of the contractual obligations to purchase coal entered into by SECWA with Western Collieries in April 1989. The Commission has gathered considerable material but has not had time to fully investigate the allegation that is central to that speculation, namely, that the contractual obligations were entered into not primarily to meet the power generation needs of SECWA but, rather, to enhance the value of Western Collieries for the ulterior purpose of increasing its sale price and hence the money available to the provisional liquidators of Rothwells. Nor has the Commission had time to call evidence in public hearing and to permit that evidence to be properly tested by cross-examination by interested parties.

The Royal Commission clearly believes that at the time the provisional liquidators of Rothwells were trying to sell Western Collieries, the Government presumably had some influence at SECWA and contracts were entered between SECWA and Western Collieries for the purpose of enhancing the value of Western Collieries and, therefore, enhancing the assets of Rothwells. The report continues -

A number of complex issues were raised by the material and evidence which the Commission has considered and serious questions have been raised as to the bona fides of the transaction. Accordingly, it is the recommendation of the Commission that the transaction whereby SECWA ordered additional coal from Western Collieries in April 1989 be referred to a body with the power to fully and publicly investigate any allegations arising from that transaction.

The Royal Commission is not satisfied. It believes something wrong took place. The Royal Commission has recommended an additional, open public inquiry into the transaction. I notice that no-one on the Government side is present in the House, but that is not surprising. I note a member from the other House, someone on the telephone, and someone chatting in the corner. That is how seriously the Government takes the Royal Commission report! I wonder if the Government will be prepared to accept the recommendation of the Royal Commission and undertake an inquiry into the alleged enhancement of Western Collieries.

The Royal Commission has said that it has material which suggests the April 1989 agreement for coal sales from Western Collieries Ltd to SECWA was done not to meet power generation needs, but to enhance the value of Western Collieries and hence to increase the money raised by the provisional liquidator of Rothwells. So seriously does the Royal Commission view this matter that it recommends it be referred by the Government for a full investigation. In my eyes the situation was made even more serious given that the Government is this week at the final stage of negotiations for a coal-fired power station in Collie. The decision will be made this week as to whether that project goes ahead. The decision of the Government to proceed with coal was against the recommendations of the Harman inquiry. The Government's decision to proceed with coal was heavily based on a minority report of the Harman committee presented by the late Bruce Kirkwood, the former

Commissioner of the State Energy Commission of Western Australia. A very strange series of events has occurred in the last couple of weeks concerning the Collie coal-fired power station which I believe has a relationship to the release of the Royal Commission report. I will summarise those events very briefly and in doing so will refer to a couple of newspaper articles. After three years, negotiations were nearing some finality with Asea Brown Boveri, on 6 October the headline on the front page of *The West Australian* was "Lawrence letter dooms Collie plan". The article reads -

The \$2 billion privately-run power station planned for Collie is doomed, according to government sources.

Last rites were being read last night for the ambitious privatisation of a traditional public-sector project, all on the strength of a letter in which Premier Carmen Lawrence refused to compromise on the Government's terms for the deal.

... But last night the political imperative came into play. A government source said: "For this to go ahead, there will have to be a dramatic change of tack by ABB."

I find it curious that on 6 October - just before the Royal Commission's report - there seems to be a clear change of political attitude by Premier Lawrence of withdrawing some of the political support for a coal-fired power station at Collie. Then on 20 October the Royal Commission reports raised the issue of the enhancement of Western Collieries, the need for a further inquiry and its dissatisfaction that all was not well with that transaction. It was on 23 October, three days after the Royal Commission had reported, that we find another front page story in *The West Australian* headlined "Ex-power boss accused on cash". The article reads -

The WA Royal Commission has referred to Attorney-General Joe Berinson documents suggesting that a former State Energy Commission boss's high-paid consultancies might have influenced his push for WA's proposed \$2 billion power station to be coal-fired.

They are understood to be the personal tax records of Bruce Kirkwood, a SECWA commissioner who resigned in 1987 to work as an energy consultant before he died last year.

The West Australian was told yesterday that the documents reveal he was earning consultancy fees from three companies that had an interest in the new power source being fired by coal rather than gas ...

The West Australian was told Mr Kirkwood earned as much as \$300,000 a year in consultancy fees from SECWA and a series of companies that included Western Collieries, which hopes to supply coal to the proposed power station, and companies associated with Mitsubishi Transfield, which until earlier this year had sole-bidder status for the project.

I find that a remarkable series of events. I do not attempt to draw conclusions; in fact, I do not know the answers. I do not know if the coal contracts that were negotiated in April 1989 were for the prime purpose of enhancing the value of Western Collieries and hence the assets of Rothwells. I do not know if it was for that purpose or for the legitimate energy needs of SECWA. I also do not know whether the decision in April 1989 to purchase coal for Western Collieries led to a bias in decision making which meant that the Government was biased in favour of coal versus gas. I also do not know if Mr Kirkwood had a real conflict of interest and whether that affected his judgment; indeed if that affected his decision to release a minority report to the Harman committee in which he expressed at the last minute his support for coal not gas. I do not know if the Premier anticipated the Royal Commission findings; indeed, whether the Premier anticipated or had some other knowledge that allegations of a conflict of interest and potential impropriety by Mr Kirkwood might become public. I do not know if that is why the Government seemed to lessen its political support for the Collie power project just prior to the Royal Commission's report. I do not know that, but there is a considerable doubt in my mind about this series of events. I know that the Royal Commission has a serious doubt, one that is sufficiently strong for it to call for a public independent inquiry into those transactions and events. I believe that the Government must act immediately to set up that inquiry. The Royal Commission has passed evidence to the Director of Public Prosecutions and the Attorney General. It does not make

recommendations lightly. The Government has a clear public duty to take up that recommendation and inquire into that transaction.

Mr Taylor: I thought your comments about Bruce Kirkwood disgraceful. I always found him to be an outstanding public servant and the member for Cottesloe should talk to former members of Liberal Governments, who would say the same thing.

Mr C.J. BARNETT: The Deputy Premier did not listen carefully. I also knew Bruce Kirkwood well and I have respect for him. That is why I was careful not to make any allegation about the late Bruce Kirkwood but repeated what was reported in *The West Australian*, because that is where the debate was raised. I do not know whether there was a conflict of interest or indeed whether it affected his judgment, but it seems within the Royal Commission there is a doubt. It has raised a matter and has referred it to the Attorney General. I am not going to query the fact that the Royal Commissioners question it and believe that it should be investigated. I am not accusing Bruce Kirkwood of anything, but questions have been asked and the Royal Commission believes they have some substance.

Mr Taylor: I found him proper.

Mr C.J. BARNETT: I always did too in the little I had to do with him. Just as Premier Burke left the Rothwells mess to Premier Dowding and Premier Dowding concealed the petrochemical deal, so Premier Dowding left a coal contract to Premier Lawrence; Premier Lawrence may have tried to cover it up. Have we had a repeat? Did Burke leave a mess to Dowding and Dowding concealed it and it affected his judgment? Did Dowding leave to Premier Lawrence a mess, and did she conceal it or did it affect her judgment? I do not know, but there is a real doubt in my mind. There seems to be a strong doubt in the minds of the Royal Commissioners, and as a matter of public interest these matters should be addressed.

MR HOUSE (Stirling) [9.48 pm]: The report of the Royal Commission could well and truly be said to be the Royal Commission that this State had to have. After many months, indeed years of comment and innuendo, of rumour and speculation circulating in Western Australia the Premier of the day, Carmen Lawrence called this Royal Commission. Contrary to the idea that she tried to leave with this Parliament today that she called the Royal Commission of her own volition, that is not the case. If one goes back and looks at the debate prior to her calling that Royal Commission; that is, in the months between when she came to the premiership in February and when the Royal Commission was announced in the latter half of August, there was a lot of pressure from Opposition members of this Parliament, from commentary in the Press and from people generally that we needed to have a full disclosure of what had occurred in Western Australia over those years. That needed to be inquired into properly so that the people of the State would know what had happened during that time.

There certainly was a feeling of uneasiness and disquiet among people about the involvement of the Government in business. Rumours circulating at the time have now been substantiated by the first Royal Commission report to the Parliament. As I said, it was the Royal Commission that we had to have because from time to time all societies go through periods when they need to reassess from where they are coming. We need to have a good look at what we are doing and make judgments about the future if we are to get some benefit from what happened in the 1980s in Western Australia. We must look at the Royal Commission's report objectively and make decisions and recommendations about what can be done to improve the workings of Parliament. What can be done to help us, as members of Parliament, serve our constituencies in a better way, and to ensure that the sort of activity which occurred in Western Australia in the 1980s does not recur? I do not want to dwell too much on what has happened in the past, except to use it as an example of what we should do in the future. That is important because it is about time that most of us as politicians made hard decisions and admitted when we made mistakes, and to do what needs to be done for the future and betterment of this State. The bottom line is the accountability of the Government, which probably begins with small matters in this Parliament such as the proper scrutiny of the Budget. Many corporate bodies now take control of some of the larger operating arms of Government in Western Australia such as the Western Australian Water Authority, the State Energy Commission of Western Australia and the State Government Insurance Commission. However, no proper basis exists for the scrutiny of those authorities in this Parliament.

Members must examine the legislation under which they operate to ensure that those authorities are scrutinised annually, as occurs with the Budget, and that there is an opportunity to question the senior officers of those instrumentalities and have some input into how they will function in the coming year.

Having done that, we then need to look at how the Public Accounts and Expenditure Review Committee operates. I firmly believe - there was a debate in this House a month ago that emphasised how well a strong public accounts committee can operate - that the committee should be reformed to contain a majority of Opposition members, and it certainly should have an Opposition chairman. That committee would then be able to scrutinise the operation of Parliament much better than it presently does. If members had learnt anything from what has occurred in the past few months they would realise that there must be a system of checks and balances, of which the public accounts committee could be one. The National Party has, through the member for Avon, a private member's Bill on the Notice Paper which addresses the problem of the community's viewing politicians as having acted improperly, leaving politics and taking with them large superannuation entitlements, or some entitlement of office to which they have become entitled as a result of their period in Parliament. It is beholden of members as elected office bearers to put in place such a system to demonstrate to the people we represent that we will be accountable, and that if we have acted improperly when we have been in a position of trust there exists a method by which justice can be meted out for what members may have done while they were in this place.

We must also look at the power of the Parliament and the Executive. It has been evident over the past couple of decades that the power of the Executive has ruled all-supreme in the Parliament. That was probably most evident among the backbenchers of the Government when they were told by their Executive that certain legislation would be brought to the Parliament, and they had not been consulted. As a member of Parliament it is very frustrating to be in a situation where one knows that members of this place are largely bound by their party rules and do not have the ability to cross the floor to vote against legislation or, in most cases, to even put forward a contrary view when those issues are debated. It is time that we examined our system. We have hung our hat on the Westminster system, but we are not beholden to it in this Parliament. Many examples exist where we have strayed from it when we should not have. If democracy is to work in a very basic way it must be ensured that Parliament has more authority than the Executive; that is certainly not the case at the moment.

One of the issues members should examine is the appointment of an independent Speaker in Parliament. Of course, that suggestion has been made in other Westminster Parliaments and is something that should be considered very closely in this State Parliament. I am also concerned about question time in Parliament, not only questions without notice but also questions on notice. I have a couple of examples in my office of questions that I have asked in only the past week dealing specifically with legislation on potato marketing and the proposal by some members of the Government to do away with the Western Australian Potato Marketing Authority. I am concerned about the way in which the question I asked of the Minister was answered. In fairness, one could read it in about four different ways. That seems to be a total abuse of what Parliament is about. One of the answers to the question is evasive, to say the least. There needs to be a system whereby Ministers answer questions specifically. Question time in this House has degenerated very much to a point scoring exercise, rather than being the seeking and giving of information, which I strongly believe it should be.

The power of the Parliamentary Commissioner for Administrative Investigations must be extended to include all Government departments and agencies. If that were done, it would give the public of Western Australia who deal with the corporate arms of the Government and the different instrumentalities another avenue whereby the decision of the Government could be addressed by a person or group of people who worked with the Parliamentary Commissioner. A need exists for that sort of system and to extend the powers that the commissioner currently has and the areas over which his inquiries can be directed. Members should also look at the Federal Administrative Appeals Tribunal which has the power to review the lawfulness and the merits of Government decision making, including those decisions made by ministerial decree which, as all members would be aware, often do not come before the Parliament for debate. If Western Australia were to set up a State-based

administrative appeals tribunal that worked in a similar way to the Federal tribunal, there would exist another mechanism by which people could question the decisions made by the Government, Ministers, the Parliament, the Executive and corporate arms of Government. That would also go a long way towards another check or balance in the system of Government that seems certain, when one looks at the Royal Commission's report, to have failed us during the 1980s.

It has become the norm in this Parliament for Government to govern by regulation and ministerial decree. A lot of legislation provides Ministers with the ability to amend legislation by regulation or ministerial decree. This ability extends to some of the heads of departments who can issue licences which have very broad powers. It takes away from the Parliament the ability to make decisions. I will give an example which is pertinent. Earlier today I was talking to the Minister for Fisheries about the proposed legislation to change the regulations applying to the rock lobster industry. I asked him whether he was concerned because it appeared to me that this session's legislative program will not allow him to introduce the amendments which he has been saying he wants to make to the relevant legislation. He indicated to me that while he would rather legislate the Act provides for the Director of Fisheries to implement sweeping and powerful changes under the licensing system. A decision which could change an industry which is worth millions of dollars to this State can be made by a head of department. If the head of the department decided to go against the Minister's wishes he would have the power to do so. In this case I imagine there has been consultation between the Minister and the head of the department. Nonetheless, there will be no debate in the Parliament and members will not have the opportunity to put forward the views of the people in the industry they represent. These sweeping changes should not take place without some form of debate in this Parliament. We should examine the ability of Ministers and heads of departments to make sweeping changes to legislation.

Mr Gordon Hill: The Minister may not have the scientific knowledge that the Director of Fisheries has to enable him to make a management change.

Mr HOUSE: I am sure the Minister was listening to what I was saying, but I was not saying that we should override this ability. We should at least have the ability to put forward our point of view and the point of view of the people in the industry we represent. The Minister is aware that there is some dissension in the industry and while I may or may not agree with what he proposes, members of Parliament should have the opportunity to thrash it out in the Parliament.

Mr Gordon Hill: I will give you the opportunity.

Mr HOUSE: I look forward to that.

It appears from the evidence given to the Royal Commission and the recommendations made by the commissioners that one of the problems which occurred between 1983 and 1986 was the appointment of ministerial advisers who were slotted in between the Minister and senior public servants. I believe that to some extent Ministers need ministerial advice, but it depends on to what extent the influence of the ministerial advisers is over and above the advice of public servants. It appears that in some cases the ministerial advisers failed to liaise properly between the Ministers and the public servants. The result is that Ministers and the public servants were not fully informed of what was going on.

Mr Thompson: Some acted in the name of the Ministers.

Mr HOUSE: The report clearly indicates there were some instances when this occurred and I think the words "de facto Ministers" were used to describe the ministerial advisers. While people may be critical of public servants there is a long history of their propriety and this certainly is not evident in some of the ministerial advisers. Future Governments should be very careful to ensure that the advice taken from ministerial advisers and public servants is evenly balanced.

It is obvious from the Royal Commission report that in the early days of the Burke Government it made decisions to become involved in business in an entrepreneurial way. It obviously decided to mix it with the big boys to make some money in order to limit the impact of rises in taxes and charges and by doing that it believed it would service this State better.

I have been reading some of the *Hansard* debates and I came across a debate of 18 May

1988. Geoff Gallop, the now Minister for Fuel and Energy, extolled the virtues of the Burke Government in what he called the transfer of capital and ownership in this State to create a broader source of revenue for the Government to meet the problems emerging. It was generally believed at that time that this was the way Government should operate in the future. The only thing that happened to the Government was when it started to mix it with the big boys it was belted out of the ring. People like the Bonds, Connells and Horgans saw the Government coming and they fleeced it blind when it got there. The view of Bond, Connell, Horgan and others was that if the Government wanted to mix it with the big boys it had to play the game by their rules; that was, if one was not good enough one got done. I guess the bottom line for this Government is that it got done. It was taken by a group of very smart people who did not care from whom they took money. They did not care whether they were fleecing someone who was in business or the Government.

Mr Strickland: You are being kind because some people read into it that there were a lot of backhanders.

Mr HOUSE: It does not matter whether I am being kind because the fact of the matter is that the State lost a lot of money.

Another point which interests me is the basis of the Westminster system of Government in regard to Cabinet solidarity and whether there is an holistic approach to Cabinet decision making and the binding of Cabinet responsibility. Does ministerial responsibility in Cabinet mean that all Ministers are responsible for decisions made in a collective way? If that is the case, the Royal Commission report is wrong in the sense that it singles out individual people from within Cabinet. I am interested that the report does not address the issue of collective responsibility in any detail and it does not spell out what it believes should be the situation with regard to collective responsibility. If one accepts the principle of the Westminster system then all the Cabinet decisions which cost this State money would leave each Minister as culpable as the other. It will be interesting to see whether the commissioners make further recommendations when they report on the reforms which they believe should be made to our system of government to overcome this problem.

The Premier touched on two issues which concern me and they are one-vote-one-value and political donations. Like the Leader of the National Party, who also addressed these issues, I do not believe either of these issues would have made any difference to what happened in this State. In fact, when one reads the Royal Commission's report one sees that it contains no suggestion that that would be the case.

I turn finally to the things I think the Royal Commissioners missed. It seems to me from reading these reports - and I am not suggesting for a moment I have read every word but I have had a good look at them - that the commissioners had to hurry towards the end to get the reports together and published on time. A number of areas still leave me with some doubt and concern. The first is the inquiry into the Burswood Casino. When one reads the evidence presented and the conclusions reached on that matter they do not seem to have great depth and no new knowledge seems to have been added to the old. It seems that the commissioners hurried through, took the evidence and did not investigate matters further. That concerns me.

I guess in some respects the report of the Royal Commissioners is largely about things we already knew about and does not contain a lot of new evidence except for a few specific examples of things about which we were unaware previously. There are a number of issues that perhaps should have been inquired into. One, for example, was the dealings of the R & I Bank Ltd in Western Australia. There is absolutely no doubt in my mind that the R & I Bank should have been one of the terms of reference of the Royal Commission. There are a number of examples of why that should be the case. Probably one of the most outstanding of those was known as the Frank La Rosa affair which involved a second hand car dealer who managed to fleece the R & I Bank of \$30 million.

As a result of that action a former accountant of a small branch of the R & I Bank in Albany is now serving a jail sentence. The manager of that bank was exonerated of any blame and nothing was ever done to seek in-depth information about how the bank could have become involved in a scam involving \$30 million. Nobody can convince me that a small country branch would allow \$30 million to go out of an account which had an overdraft limit of about \$10 000 without a person inside helping that happen. That assistance could have come

only from head office of the R & I Bank. People cannot process \$30 million through a \$10 000 overdraft account in a small country town and not involve other people. I have no doubt a cover up was involved.

The dealings of the R & I Bank should have been one of the terms of reference of the Royal Commission. If one wishes to add weight to that argument one can use the example of the bank's lending to Horgan over the University of Notre Dame Australia and a couple of other matters. As I said when I commenced my remarks, this report had to be presented to the Parliament. Members of Parliament on both sides should use this report properly and accept its recommendations and put them into practice properly. If we do this we will go a long way towards ensuring that this State never again goes through the sort of pain it went through in the 1980s.

We should be able to ensure that the people we serve will be served by a better democracy in the future because of the reforms this Parliament has put in place. We certainly ought to be able to ensure that we do not lose public money in the way it was lost in the 1980s in this State in a quite disgraceful way. We need to now look forwards and not backwards to ensure that we recognise the mistakes made and put into practice a system to ensure that these things do not happen again.

MR STRICKLAND (Scarborough) [10.15 pm]: In speaking to the motion on the report of the Royal Commission I will refer quickly to the general evaluation in volume 6 where the commissioners make the point that the Parliament has failed to provide an effective check on the executive arm of Government, that Parliament was kept ignorant, and that it must bear some direct responsibility for the present state of affairs.

I guess it is the Opposition's responsibility to scrutinise the Executive, ask questions and do the probing required. Equally, of course, it is the responsibility of the Executive to answer those questions and not keep things hidden. The Government should not answer questions late or allow time to pass so that answers lose their relevance. During my short time in this Parliament, this Government has developed that approach to answering questions and has answered them in an obscure way ignoring the real answers. It has made that technique an artform for which it should be condemned.

The commissioners also make the point that members of statutory authorities handling significant public funds have seemed to be unaware of, or else indifferent to, their legal and public duties. They say that compliance with the law has not been honoured as the first obligation of those authorities. I bring to the attention of the House some of the work performed by the Public Accounts and Expenditure Review Committee contained in its report of 18 October 1990 after it had conducted an inquiry into the SGIC.

During that inquiry the Committee was told in evidence related to a report of the Public Accounts and Expenditure Review Committee of November 1989 under the heading "supervision of the corporation" that the board of commissioners supervises the corporation on a basis similar to that of the insurance and superannuation commissioner in his supervising the operations of private insurers under the Insurance Act. The interesting thing about our inquiries was that we discovered that the statutory requirements of the SGIO, as outlined in the minority report, were established under section 33 of the SGIC Act of 1986. Pursuant to section 39 of the Commonwealth Insurance Act 1973 the SGIO must meet the condition that the value of its assets shall at all times exceed the amount of its liabilities by not less than \$1 million or 20 per cent of its premium income during its last preceding financial year, whichever is the greater.

That, of course, is the solvency requirement. Regulations which allow an exemption for the SGIO from the requirement to lodge quarterly returns has also led to a large problem. The committee found that quite clearly at all times the SGIO was supposed to maintain continuous compliance with the statutory solvency requirement. A duty is imposed on the board of directors to ensure that the SGIO observes those solvency requirements in a like manner to other insurers carrying out business in Western Australia. The situation was that a Commonwealth insurance commissioner was overseeing all the private insurance companies. The SGIC was under the State Government which meant that the commissioner could not really oversee it as a State Government body. Consequently there was a requirement to introduce regulations to get around that problem.

A regulation was introduced which allowed in the main for the State Minister to be substituted for the Insurance Commissioner and the Life Insurance Commissioner in order to fix that problem. However, a number of interesting points arise about these regulations. Firstly, they were introduced on 18 or 19 December 1986, after the Parliament had risen; therefore, members were not here and were, of course, focusing on other matters. Secondly, in addition to the regulations getting around the problem by replacing the Commonwealth Insurance Commissioner with the State Minister, it is interesting that section 44(4) provided an exemption to the requirement to lodge quarterly statements. The minority report pointed out that quarterly returns, which comprise a balance sheet, a profit summary and a statement of premiums and claims, provide the basis for the continuous monitoring process in order to ensure that companies comply with the minimum solvency requirements under the Act. The report explains the obligations that are placed upon private insurers. We had a situation where, unbeknown to members of Parliament, who do not necessarily scrutinise regulations which are introduced when the Parliament is not sitting, regulations were introduced which required the solvency requirements to be reported on only once a year. There is a difference between continuous compliance and adjusting things once a year so that the books are correct.

The minority report found also that on 15 August 1989, a share dividend of \$6 million was declared after the end of the previous financial year but was brought to account as at 30 June 1989. That highlighted the nature of the contrived situation. That retrospective accounting, involving a backdating of that \$6 million to ensure compliance with the solvency requirements, was raised in the Press at the time. That indicates to me that a deliberate attempt was made by the Government through those regulations to change the situation in order to avoid the continuous compliance requirement. That is deception of the first order because it set up a situation where the State Government Insurance Commission could be the vehicle for many of the problems that have been raised ad nauseam since 1986. There was a deliberate change in the regulations, and that is all documented in the minority report of October 1990.

I will deal in the remainder of my remarks with that part of the inquiry with which I had some experience; namely, the bribery allegations at the City of Stirling. I am in a unique position because I was a councillor at the City of Stirling, I gave evidence to the Royal Commission, and I am also a member of Parliament and ensured that I had access to all of the transcripts. I feel an obligation to speak about this matter on behalf of the other councillors who, like me, were totally innocent and unaware of some of the shenanigans which the Royal Commissioners found in their investigations went on. Those councillors who were proud of their tens of thousands of hours of voluntary community service found that they were exposed to unsubstantiated allegations, and that was a disappointing saga in the life of all of those councillors.

I will deal firstly with the way in which the Premier treated those councillors differently from other members of Parliament in respect of her providing financial assistance to cover legal costs, and, secondly, I will outline how the problem evolved. The legal representative of the City of Stirling wrote a letter dated 10 January 1992 to the Premier and Cabinet, requesting financial assistance. This followed legal advice to the council that it needed to have legal representation because it had to give advice and support to councillors and to protect the City of Stirling's interests, and that if council were not legally represented, it might not be given the right to cross-examine evidence that affected the council. On 30 January, the Premier wrote to the legal representative of the City of Stirling and stated that she rejected the request for financial assistance to cover legal costs. Those costs were to be limited to the representation of the council in a corporate sense, and the councillors and officers were to appear before the commission not on a personal basis but in their professional capacity. On 31 January, the legal representative of the City of Stirling again wrote to the Premier and Cabinet, requesting a review of the situation. Members should bear in mind that the Premier stated in her response that she had given careful consideration to the application and that funding would not be provided.

On 6 February, an article appeared in *The West Australian*, under the heading, "Legal Funding Rules Unfair", which stated that two of the City of Stirling councillors had complained that they could not get Government funding to pay for legal representation, and that their names would be blackened in the commission and they were not in a position to

pay for their own legal representation. On 11 February, the Mayor of the City of Stirling wrote to the Premier, asking her to reconsider. On the same day, the legal representative of the City of Stirling also asked the Premier to review the situation. On 26 February, a letter was addressed to me which provided me with the background of the correspondence and requested me to make no representation about the matter on behalf of the City of Stirling. I honoured that request.

Members should bear in mind that the commission hearings were well advanced by the time that questions were asked in Parliament in April; in fact, the inquiry on this matter had effectively concluded. The member for Applecross asked the Premier about expenses paid at the Royal Commission, and the Premier indicated that she was prepared to change her mind and provide legal assistance to the councillors. It irked the councillors that assisting the legal representation of the City of Stirling only had practical benefit in that the city recouped its expenditure; however, the closing submissions were in the not too distant future, and for all intents and purposes, the door had been shut on any chance for reply.

During the inquiry unusual circumstances arose in that one councillor made an allegation, and the legal counsel representing other councillors could no longer do so. Most of us went to the Royal Commission believing we did not need legal counsel because we had done nothing wrong - we believed the whole thing would sort itself out. However, an interesting legal situation arose as allegations were made, and as people were not represented, the opportunity to raise questions and counter the allegation was lost. Most of us did not realise that point until after the event.

In conclusion, the Premier's announcement was very shallow. She made it at the end of the inquiry in order to big note herself in the Press. The councillors involved gave voluntary service, and have been totally exonerated by the findings of the Royal Commission. Nevertheless, these people were left out to dry and no explanation was given. However, past friends of the Government were provided with millions of dollars in assistance; that sticks in the craw of the people of the City of Stirling.

I have with me some detailed evidence from the Royal Commission in relation to this matter. Mr Ron Edwards, a Federal member of Parliament, created an impression regarding the council support for the Observation City project by providing information to Mr Jack Walsh, who placed that information in a diary. Subsequently, he informed the Bond Corporation of those views. Also, one ratepayer contacted councillors on various occasions. This ratepayer had her mind set that she was totally against the Observation City project and, quite rightly, was trying to persuade the councillors to support her point of view. In doing so she formed the opinion regarding which way individual councillors might vote, and expressed her opinion at a public meeting which was not attended by any of the councillors involved. That was the source of these allegations.

Mr Edwards, who provided information on how he thought councillors would vote, did not discuss the matter with the councillors. That is clearly evident in all the transcripts. Mr Edwards made statements which were written down by Mr Walsh in a diary which eventually appeared in newspapers. This created the impression to the Bond Corporation that its project was in jeopardy. That led to the involvement of one Ray O'Connor, and to the things about which we have read in the newspaper. All these events were a consequence of the impression to which I referred.

The councillors themselves dealt with a report which was prepared by council officers. The Royal Commission said that Mr Edwards called himself an "honest broker", and on 9 January he met Mr Walsh who was acting as a consultant to the Bond Corporation. At that meeting he gave an indication of what he thought the voting intentions were of the councillors without ever having discussed the matter with the councillors.

On 17 February the commissioners indicated that at a meeting he gave an off-the-cuff opinion to Mr Walsh regarding the political inclinations and voting intentions of councillors; the gist was that the majority of councillors would vote against the project. Mr Walsh then recommended that the matter be canvassed at the highest level.

On 2 March 1984 a public meeting was held at which Mrs Eitelhuber made her public statements. Mr Buckley, who was the person with chief responsibility for these matters, said that his view was that it was not a question of whether the application for the project would

be approved, but a matter of how. That evidence was entirely consistent with the evidence received from Mr Glover. Mr Buckley said that he disagreed with Mr Edwards, and still does. These are some of the comments which appear in the Royal Commission report.

Interestingly, Mr Edwards was cross-examined and asked why, if he had information on these people, he had sat on it for so long and not told anyone about it. He said that he had been told that if he said anything, Mr Walsh would simply claim it was a campaign donation; therefore, he would have no substantiation to his claim. Mr Edwards also said that at the time one of the councillors was his opponent in a Federal election. I have a Press clipping with me which indicates that then Councillor Hancock became Mr Ron Edwards' opponent in August 1984 - these events took place in March 1984. It is interesting how years after the event when someone is put on the spot, that person starts to pull reasons out of the air which did not exist at the time. Mr Edwards also indicated that if he went public on those Government issues, he would be subject to an administrative discipline. He was referring to discipline from within the Labor Party. Criminal conduct occurred; it should have been brought to the attention of the proper authorities and, quite frankly, the fear of Labor Party discipline was a feeble excuse for not doing so.

Other matters disturbed the councillors. There was a disparity between the evidence given and information quoted in *The West Australian* of 14 February 1990 bearing in mind that the evidence was given in 1991. I refer to an article in *The West Australian* of 14 November 1990 under the heading, "Labor MP: I know the names". It refers to the fact that at that time the politician said he could recall the names of three councillors on the list, but two others had possibly been paid. Yet, all of a sudden he knew five names for certain. The article in part states -

"He had the piece of paper in front of him and the words he used were about cheques being paid over".

However, in the evidence that he gave to the Royal Commission he did not speak about cheques being paid over, but about a cheque for the amount of either \$25 000 or \$30 000 which was then distributed by someone. Contradictory points to what had appeared in the newspaper appeared as time went by. Evidence was tabled in the Royal Commission of a transcript of a telephone conversation between Mr Edwards and Scotty Brandeth of *The Sunday Times*. Mr Edwards said that he did not like getting into situations of blackening people's names. The transcript of the conversation reads -

Edwards

Oh well, let's take it one step at a time. I live out on a limb. Up here I am a member of the New South Wales right, deputy speaker and trying to hold a career together and continually taking risks like blowing the whistle on people. I mean, you talk WA Inc inquiry . . .

He then went on to blacken one of his Labor colleagues, the former member for Scarborough with a totally unsubstantiated allegation.

Mr Shave: You said, "New South Wales right".

Mr STRICKLAND: That is what he said; it is in the transcript. It did not appear in any newspapers. It was said by a fellow who did not want to get involved in blackening people's names and so on. The transcript of the Royal Commission tells a very interesting story. It is so large that the commission had to summarise it and could not include all the information. A question to Mr Edwards in the transcript reads as follows -

Mr Miller

Did you speak to any of Mr Cash, Mr McNamara, Mr Tyzack, Mr Hancock or Mr Strickland? Did you speak to any of those people to find out how they stood on the matter? ---No.

But as for the others may I put it to you it was pure speculation about how they saw the issue? --- That is the nature of politics, Mr Miller.

Yes, but can I ask you again, where did you get the idea that Cash, or for that matter, Strickland were breaking down?

The answer in part was -

I thought they were people who were in touch and that amount of information being exchanged, they may well have been softening their attitude towards the proposal?

Did you ever find out what the true position was during that period? --- Of the councillors?

Yes?---I only found out what the true position was when they voted it through, but not before that, no.

That was someone who made allegations and caused many problems. Is it worthy of the Deputy Speaker of the Federal Parliament?

MRS EDWARDES (Kingsley) [10.44 pm]: I refer to page 27 - 3, part 1, volume 6 of the Royal Commission report. This part of the general evaluation gives the clues about why some of the dealings occurred and huge sums of money were spent. It may even explain some of the acquiescence which occurred even though Cabinet members and members of the party were not involved in some of the direct decision making. I quote -

Ministers have elevated personal or party advantage over their constitutional obligation to act in the community's interests. Public funds have been manipulated to partial ends. Personal associations and the manner in which electoral contributions were obtained could only create the public impression that favour could be bought, that favour would be done.

The deal I refer to is the Fremantle Gas and Coke Co Ltd deal. Members will recall that that involved the Spare Parts Theatre company deal and the Burke stamp deal. The Government lost \$39.7 million and Yosse Goldberg made \$15 million in just 14 months when the State Energy Commission of Western Australia purchased the Fremantle Gas and Coke Co Ltd from Goldberg. It was also the deal in which Mr Parker's decision to increase the share capital base of that company cost the taxpayers extra money. It could have been purchased at a lower price had Parker, as a Minister, not personally made that decision.

Some of the facts are: In October 1986 SECWA acquired the gas distribution of Fremantle Gas and Coke Co Ltd and acquired all its powers under the Gas and Coke Companies Act. It is important to relate back to these dates. In 1982 an amendment was moved to section 7 of the Gas Undertakings Act by Hon Peter Jones of the previous Liberal Administration, giving ministerial control over any increase in the amount of authorised capital of the company. It is important to reflect on the reason he moved that amendment at the time. He is recorded in *Hansard* as saying that it was to protect the company from any attempted asset stripping. The amendment was an endeavour to prevent the flouting of some interests. I am sure the Minister during 1986 had no idea why that was the situation. The State Energy Commission had always wanted to purchase Fremantle Gas and Coke because that company was providing gas at a lower tariff than SECWA. In 1982 Kingsmill noted that the net tangible assets of the company were estimated to be worth \$12.8 million. Members must bear in mind that the Government purchased it in September 1986 for \$39.7 million. The company's current market valuation was \$15 million calculated on a share price of \$4 a share.

The scenario at the time was: The Fremantle Gas and Coke Co Ltd applied to the Minister in an endeavour to dispose of some of its land in Fremantle. On page 10-19 of the report it states that Mr Glaskin wrote to Mr Parker on 2 March 1984, requesting approval to dispose of four lots of land in Fremantle which were then used as car parks. They had sited their gas holders and compressors on this site and, since natural gas had come into use, were no longer required for the company's operations.

Glaskin indicated in a letter that the net proceeds of the sale would be dealt with in accordance with the Act and would be used within the company. Until this time there had not been a very good relationship between the directors of the Fremantle Gas and Coke Co Ltd and the Minister. At one time, after a meeting in the Minister's office, it was almost as if they had been dealt with as subservient. When SECWA advised the Minister of this request by Fremantle Gas and Coke, it pointed out that the disposal of the land in the present instance was clearly not intended as an asset stripping device to the detriment of the utility and that there would be little ground for refusing the company permission to sell the land. The officer reminded the Minister that SECWA was concerned that the company was creating bonus shares and possibly using its subsidiary company, Stirling Gas, in order to circumvent the restrictions of the Gas Undertakings Act with respect to the distribution of profits to shareholders.

At the time, Mr Parker made a note on the memorandum that Mr Glaskin from SECWA wrote, "I think two can play the game they are up to." Rather than taking the advice of SECWA, he redrafted a positive response but decided that he would withhold permission. That is very important, when one considers the Minister's relationship with the directors of the Fremantle Gas and Coke Co Ltd then and his relationship with Fremantle Gas and Coke when it was controlled by Goldberg.

In late January or February 1985, Mr Burke requested Mr Connell to consider intervening in the defeat of a takeover bid by J.N. Taylor which was one of the Holmes a Court companies. The Government did not want that bid by J.N. Taylor to succeed and was interested in finding an alternative purchaser. The reason it did not want the Holmes a Court company to be the purchaser was that it felt that it would be harder for SECWA to try to purchase the company from Holmes a Court. At page 10 - 37, the commission states -

The concern with Mr Holmes a Court, as Mr Connell was advised, was that the Government could be forced to take him out and to take him out at a very substantial price. . . . leaving the Government exposed for some years.

That is an interesting comment given Mr Parker's decision to increase the share capital base threefold, as he did. He was providing the very substantial price which SECWA ended up paying for Fremantle Gas and Coke.

Mr Burke decided that he would find an intervening purchaser. He arranged for Mr Parker to contact Connell although Burke approached Connell in the first instance. There was an understanding between Burke, Connell and Parker that Connell would profit from the arrangement. Mr Parker ended up contacting Mr Connell and a whole lot of arrangements and meetings went on. The other interesting factor is that the Minister, Mr Parker, provided to Mr Connell confidential information which was provided to SECWA from the Australian Bank Ltd which would assist him in putting in his bid to beat the J.N. Taylor takeover bid. Mr Connell put in a counter offer for Fremantle Gas and Coke through Goldberg. They brought Goldberg in because he had not been involved in any deals with the Government to that time and it was thought that he was a much cleaner person from a political point of view. There was some concern in the community at that time that, if Mr Connell was involved, it would be another deal in which he was getting too close to the Premier and to the Government.

The Royal Commission at page 10 - 56 states -

By letter dated 12 March 1985, Mr Brindle reported to Western Continental that Rothwells had valued the shares of the Fremantle Gas Co at the range of \$7.36 to \$8.96, placing a value on the company of between \$34.512 million and \$38.223 million. The letter continued -

"It is confidentially assumed that the restrictive constraints imposed by this Act that tend to support less than maximum performance, will soon be relaxed or abandoned."

The report continues -

On the same day, Mr Brindle reported to Mr Connell that, "[d]epending on the scenario selected by the controllers of the utility and providing the constraints of the *Gas Undertakings Act* are relaxed or waived, the entity could be a wonderful income earner for any Government or semi-Government body and easily justifies an Investment Price exceeding thirty-five million dollars."

It is obvious that the arrangement was that Government or one of its instrumentalities would acquire the gas utility. This was also confirmed in correspondence between Mr Parker and Mr Hurley of Standard Chartered Australia Ltd. The Royal Commission said at page 10 - 59 of the report -

Mr Hurley said that his understanding was that the original arrangement was that Western Continental was to be a white knight for the Government, which would cover the borrowing, plus carrying costs, plus a profit margin to Western Continental. This was, he said, inherent in the transaction from start to finish.

The commissioners concluded "that some assurance of a Government takeout must have been given to induce Mr Hurley to entertain the proposal". The commissioners continued -

Mr Hurley maintained that he did not simply accept Mr Connell's assurances. He claimed that he required, in the first instance, a verbal assurance from Mr Parker guaranteeing a Government takeout, and, in the second instance, at or before settlement, a letter of guarantee.

Further on, when he was asked whether he would have entertained the application if a guarantee from Mr Parker had not been forthcoming he responded, "Not in a million years." Again, the guarantees were given verbally and in writing and the deal was set up to defeat J.N. Taylor's bid. That was done with a bid from Connell through Goldberg to purchase the company. The other critical decision was that in May 1986, Mr Parker agreed to a request from the Fremantle Gas and Coke Co to increase its authorised capital from \$5 million to \$15 million knowing that it would give that single shareholder the ability to extract substantial profits from it and that it would also increase the price to the Government. That was the deal that was set up because the sale was already set up as I have just pointed out in Mr Hurley's evidence. The Government had already given assurances that it would on-purchase the company. The Minister went out of his way to increase the authorised capital threefold which meant the Government would pay more for something for which it had set up a buyer in the first place. Page 10 - 101 of the report refers to Mr Kingsmill's recommendation. The commissioners stated -

A draft reply to the Fremantle Gas Co's request, attached to Mr Kingsmill's memorandum indicated that the Minister was not prepared to give a blanket approval to a very substantial increase in the company's authorised capital, particularly when there appeared to be no immediate requirement for such action. The draft letter continued that the Minister would be pleased to receive a specific proposal if and when the need to increase the company's authorised capital arose, so that a decision could be made in the light of the particular circumstances.

The report continued -

The Minister did not accept this advice from Mr Kingsmill . . .

Mr Kingsmill wrote a draft letter stating that he would not give blanket approval because there was no immediate requirement to do that and he suggested that the Minister would be pleased to receive a specific proposal. Not only did the Minister not accept Mr Kingsmill's advice, but also he did not again consult Mr Kingsmill, SECWA or any other officer before he committed himself to the acquisition by SECWA of the Fremantle Gas and Coke Co Ltd in August 1986 at the price of \$39.75 million. He did that without notifying SECWA of the negotiations and he purchased it at a price that was significantly higher than its true value.

On 19 September 1986, in a media statement, the commission reached the conclusion that Mr Parker conveyed a misleading impression of the circumstances surrounding the acquisition of the gas utility. We can all see why that was the case. Another interesting aspect of the Fremantle Gas and Coke deal is the shredding of documents. I believe there is some systematic culling of files in Government and ministerial offices at the moment. Mr Parker took with him on his retirement from office original documents which were the property of SECWA. The commissioners report that thousands of documents were missing from SECWA files. There were no relevant documents in the files of SECWA between July 1985 and February 1986. The report states -

Mr Parker denied knowingly destroying or causing to be destroyed any documents from either his own or SECWA's file relating to the Fremantle Gas Co.

Mr Parker said his understanding was that the practice in Western Australia, when Ministers leave office, is that Ministerial files, being the property of the Minister, are dealt with in accordance with his wishes.

A stack of those files went missing. Some files turned up later and a report in *The West Australian* on 4 September 1992 stated -

The royal commission has turned up a stack of confidential files dealing with the State Energy Commission's controversial \$40 million purchase of Fremantle Gas and Coke Company in 1986.

The Royal Commission called former SECWA solicitor, Neville May, to testify at a special hearing with regard to the Fremantle Gas and Coke files which appeared to be confidential files that had been kept on the management floor at SECWA. The article further stated -

He believed that all the files before him had gone to Mr Parker's office, though he had not been personally involved in parcelling them up and sending them over or inspecting them when they came back.

One of the files was very slim compared with the other bulging folders and its contents were out of sequence.

Obviously that is the folio numbers. He said in evidence -

"To be honest with you, Volume 5 looks very short. It looks to me as if it's not complete," Mr May said.

He said if Volume 5 had never been filled, there would have been no reason to start a new file but in fact there was a Volume 6.

He could not be sure if any documents were missing from Volume 6, though the folder was not full.

With respect to the Fremantle Gas and Coke deal, the commission also found that Mr Parker's evidence relating to his satchel of money was not credible. They found that his story about keeping a large amount of cash in a leather satchel in his office was unconvincing. The report states -

We rejected his explanations for having the cash, but have been unable to identify its source.

The report also states -

We do not consider that it is either necessary or desirable to canvass in detail the evidence given by Mr Parker regarding the origin of the cash . . .

It must be remembered that he referred to his late wife. It continues -

We are satisfied Ms Arcus did not pay him any such amount as he claimed. . . .

The report of a Commission investigator suggested that it is unlikely that any significant amount of cash would have come from his travelling allowances, as Mr Parker claimed.

The report states in paragraph 10.31.9 -

Although, however, we reject Mr Parker's explanation for his possession of a substantial amount in cash, we are unable to take the further critical step of finding that Mr Goldberg was the source of that cash or any part of it. The relationship to which we have referred, and the proximity of Mr Goldberg's receipt of \$35,000 and Mr Parker's possession in the following weeks of more than \$26,000 in cash, is insufficient on its own in such a serious matter to support a finding adverse to Mr Parker.

The language in that paragraph is very important. The commissioners state that they cannot take the next critical step. However, it is obvious that Mr Parker's evidence was discredited with regard to the source of the funds. The report also states in paragraph 10.33.4 -

The conduct of Mr Burke and Mr Parker was highly improper, falling far short of the standard of rectitude to be expected of a Premier and of a Minister of the Crown.

That is particularly important when we are looking at ministerial responsibility and Government accountability to the Parliament. Two more donations were made by the Goldberg and Connell partnership. The report states -

On 7 June 1985, about a month before Mr Goldberg won control of the Fremantle Gas Co, one of Mr Burke's personal staff, Mrs Brenda Brush, opened on his behalf the No 1 Advertising account with a cash donation of \$300,000 from Mr Connell . . . Mr Connell made his donation when an arrangement existed between himself, Mr Goldberg and Mr Parker for SECWA to buy Fremantle Gas Co or the gas utility.

That is where the impropriety comes into it. At page 10 - 77 the reason for doing so is clear. Mr Connell gave the following evidence -

He said he was put in the position where it would have been very difficult for him to have declined the suggestion that he should contribute himself and assist in raising

funds through other businessmen He also indicated that Mr Burke was fairly direct in his approach and really gave him no room to disagree with his point of view. When asked what Mr Burke had said which was so direct and left him with no room to disagree, Mr Connell responded:

"Basically what I've told you already, that business was good, which was something I'd no argument with, and if it was to be maintained, the environment was to be maintained, if we were to expect that we would continue to have the co-operation and ear of the Government, then contribute."

The commission also found that Mr Burke was well aware of the arrangement put in place for SECWA to purchase the Fremantle Gas and Coke Co and his conduct at that stage was highly improper. The report lists on page 10 - 78 all the deals that Mr Connell had been involved in with the Government. I will not go through them but perhaps members will take the opportunity of reading them. The report also states -

On 25 July 1985, about two weeks after Mr Goldberg won control of Fremantle Gas Co, Mrs Brush received a further \$300,000 from L R Connell and Partners. Of this amount, \$200,000 was paid into the No 1 Advertising Account and \$100,000 was kept in cash in a calico bag in a safe in Mr Burke's office. On the next day, Mr Goldberg's Western Continental reimbursed the \$300,000 to L R Connell and Partners.

It is interesting that \$80 000 of that was used to buy stamps which Burke incorporated into his own stamp collection, and which went to Ireland with him. That is the subject of a special repayment to the Australian Labor Party. The commission found that Mr Burke, Mr Parker, Mr Goldberg and Mr Connell had acted totally improperly in relation to this deal.

The commission also found that Mr Parker sought a donation for the Spare Parts Puppet Theatre as early as May 1986, during the currency of the application to increase the share capital base for Fremantle Gas and Coke, which required Mr Parker's approval. They had subsequent discussions concerning this on 26 August 1986 after a price had been struck for the utility. Mr Goldberg paid \$125 000 of the promised \$250 000 donation in April 1987. The important aspect is that Mr Parker at the time was Minister for The Arts, the company was located in his Fremantle electorate and obviously this donation enhanced his esteem in his electorate.

When the Government was talking about the deal with SECWA to purchase Fremantle Gas and Coke it was indicated that the purchase would not occur until after the February 1986 election. The Royal Commissioners made reference to this by saying that the Government was putting the party's interests, and the members' personal interests, above those of the community. Considering past and current events, nothing much has changed.

I turn now to shredded documents including the subpoenaed documents at the Pike committee of inquiry into Western Women. I found a document which clearly was a Government file document because it was marked with folio numbers as well as a Government file number. It was marked "shred?". We have not received any satisfactory explanation for that marking. Such documents should never be considered for shredding if there is no system for culling files. Nothing has changed.

Mr Ripper: It might have been a duplicate.

Mrs EDWARDES: It was the original.

Mr Ripper: There could have been multiple copies.

Mrs EDWARDES: No, it was the original, and it was marked "shred?".

Mr Taylor: What evidence do you have?

Mrs EDWARDES: Can the Minister give a satisfactory explanation? Of course he cannot.

My second point relates to draft letters, one of which was from Mr Kingsmill concluding that he should not proceed with the Fremantle Gas and Coke deal at that time. We also had a draft letter by the acting director of the Office of Women's Interests, Margaret Wort, to the Premier. The Premier did not take the advice and covered up the concerns expressed by Margaret Wort.

In relation to the Royal Commission documents we hear continual comment about commercial confidentiality; that we cannot bring a matter to the Parliament in order to continue Government by secrecy. The Federal Treasurer, Mr Dawkins, has made the same claim in Canberra regarding commercial confidentiality. The Victorian loan scandal is government by secrecy. Perhaps the Federal Treasurer has caught the WA Inc disease by being too closely associated with his WA Inc Labor mates. He seems to be using the same terminology because we all know what former Deputy Premier Parker said about Government working in secrecy. That was put forward by the member for Perth.

We have heard the Premier's comments about what she could or could not recall in Cabinet meetings about the PICL deal. We can also recall what the Premier said regarding Western Women; that is, she did not know about all the things that were going on; that no-one reads papers regarding PICL or Western Women. What about the Notre Dame issue? We know about the Cabinet decision sheet signed by the Premier on 5 June. The Premier urges us not to believe what we read, to just believe what we are told about these discussions. Again, this is not telling the Parliament the truth. Many events indicate that nothing has changed regarding secrecy and the deals which are the subject of the Royal Commission report; nothing has changed with the information that we are offered currently. As Jim Ward has said, Cabinet Ministers in Western Australia cannot say that they did not know what was happening. Because they did not ask questions, they acquiesced; they are guilty by association, particularly when a lot of information was in the newspapers at that time and in debates in Parliament. They cannot have it both ways; either they knew or they did not - but either way, they are guilty. The Government cannot operate in secrecy, and there should be no commercial confidentiality in relation to these matters.

MR TRENORDEN (Avon) [11.14 pm]: Members will be pleased to learn that I am the last speaker before the House adjourns. I gather from the messages from the Press that if I do not make my speech a short one they might report it. I will therefore make my speech fairly short.

When people in this State asked for honesty they received corruption. When they asked for integrity they witnessed deals with favourite mates. When they asked for accountability they received wanton negligence. When they asked for openness in Government they received secrecy and corruption. When the public asked for sound financial management they received massive losses, and when they asked for understanding of their position they were deceived. When they asked for leadership a red herring was dragged across the trail, and the Royal Commission reported that in one case there was a lack of leadership. When the people of this State sought solutions from the Government they received massive problems. When they sought responsible Government they witnessed Executive power. When they sought compassion they experienced unemployment and bankruptcy. When they sought Government services they witnessed closures, and when they sought safety in their lives they faced substantial financial hazards. All these matters are detailed in the Royal Commission report.

I will not go through all the issues. The net results of the events are contained in the six volumes of the Royal Commission report. A major result is that all politicians in this State are on the nose. When I say all politicians I mean all politicians, because I am now tainted substantially as a result of the actions of some members opposite. I do not refer to all members opposite. I refer to some members of the Australian Labor Party. The Premier is making the most of that point. Part of the campaign run by the Australian Labor Party in order to become re-elected is that everyone is a crook, everyone is corrupt, and everyone does these deals; but the promise is that from this moment onwards that will not be the case. The promise is that it will be different. That is all part of the ALP campaign to be re-elected. I take great exception to that philosophy.

Earlier today I listened with a fair degree of interest to the member for Perth, and I probably interjected more than I should. I do not blame that member for his attitude or his difficulty in claiming to be a member of Parliament in these times. It is not a pleasant occupation. Recently I was approached by an individual whom I have known for 20 years. This good Labor Party supporter looked me in the eye and said, "Max, you cannot tell me in all earnestness that you would not have done the same as the ALP members." That sent a shiver down my spine because that is what many Western Australians believe. This is not a crisis for the ALP; it is a crisis in Government in this State. People have asked where was the

Opposition when all these events were taking place. I was not elected in 1983; I was elected in 1986. When I first arrived in this place my assessment was that it was like playing a game of football and being beaten by 50 goals in every match. The Opposition then was not as good as it could have been. It got better shortly after 1986. In fact, the Opposition just lost the election in 1989. We now have to ask how the Government of this State will operate, given the set of circumstances with which we are faced.

In about October 1988 I gave a reasoned, unemotional speech in this House on what I considered to be the SGIO's position. I believe that history has proved my comments to be correct. At that time I was abused and pilloried mainly by the Press but also by the then Deputy Premier, David Parker. We now know that that Minister lied during that debate. I can use that word now because it is in the report of the Royal Commission. I would not otherwise use that terminology. Having been a member of this Parliament for two years, when I asked the Minister a question and got an answer, I expected to be able to believe that answer. Why should members of Parliament bother to ask questions if they do not believe the answers they are given? Mr Speaker, if I ask a question of a Minister in 1992, can I expect to believe the answer I am given?

The SPEAKER: Yes.

Mr TRENORDEN: I would be politically naive if I believed the answer. Therein lies the rub which goes to the heart of the problem in this House and the problem for future Governments in this State. If we cannot take a Minister at his or her word, how will this place operate? Does it mean that were I to have the good fortune to be elected to Government next year and to become a Minister I would have the right to mislead this Parliament with impunity? Hopefully, that would not be the case.

Mr Lewis: The difference is that your moral standing will not allow you to do that. Those in Government do that all the time.

Mr TRENORDEN: That could be right. There are a million people who do not know me, who have voted and have already decided that my scruples are questionable. They might believe that my scruples are questionable only because I am a member of Parliament.

Something must rise out of the ashes of this matter. I am looking forward to the second report of the Royal Commission. Ministerial accountability in this House is now nonexistent. There is no way that I will believe statements made by Ministers. If we look at current situations, for example, Notre Dame and Western Women, we have to ask: What has changed? As members of Parliament, if we want this institution to continue, we must find a new way of making Ministers accountable. There must be a penalty for misleading the House and for lying to this House.

The difficulty I have is that in the six and a half years that I have been a member I have seen the Press on many occasions put what I consider to be a misleading of the House purely for good political tactics. In terms of accountability in administering the House, how do we make it work? What is the point of asking questions if we cannot rely on the answers? Those on this side talk about ways in which question time could be changed, including the asking of supplementary questions and running question time more in line with the British parliamentary system. The whole matter comes down to this question: If the Minister is not prepared to give an answer, what is the point of question time? If we get disillusioned with the answers we receive to the questions we ask of the Government, what is the point of having an Opposition? The whole process breaks down into a laughable situation - that is what we have now. The whole of the Australian public is laughing at us. I ask the member for Marangaroo whether his shoe has been reconnected.

Mr Cunningham: I was a little worried about that.

Mr TRENORDEN: I am a little worried that Telecom Australia may have reconnected the member's shoe.

Mr Cunningham: It is disconnected.

Mr TRENORDEN: Then I have nothing to fear. The member for Marangaroo made this a very interesting place a few weeks ago. It was one of the funniest occurrences that this House has seen for some time. I appreciate his very enjoyable personality.

Paragraph 21.1.9 of the Royal Commission report states -

We were told plainly by Mr Edwards and others, that SGIC and GESB were no more than arms of Government which existed to fulfil the Government's policy aims and objectives. Mr Burke said he regarded SGIC as a vehicle for investment by Government . . . an approach adopted at serious cost to the State . . .

The dangers implicit in freeing the supposedly independent authorities from the constraints of some of the accountability mechanisms to which Government is ordinarily exposed and subjecting them to the influence of a *de facto* premier were released when Mr Burke committed the Government to the rescue of Rothwells.

The Royal Commission is saying that the accountability measures were bypassed. I do not want to continue quoting from this report ad infinitum. I hope everyone has read it. The report says that Mr Burke was very keen to put people into the Public Service, promote them into higher positions and do this by bypassing the senior officers within departments. Therefore, the safeguards within the recruitment and selection process of the Public Service failed to operate. Those checks and balances of the system were bypassed.

I do not believe anyone can say that the Royal Commission has not done an excellent job. If we are to get a process worth \$30 million as a result of the Royal Commission's recommendations, we need to have some mechanism that will make this Parliament work from 1992 onwards. We know that this Parliament does not operate effectively now; it is just a place used by the Executive to announce its power. That is all it is. We have a situation where Ministers are not accountable for the statements they make. There is no penalty, no impost, on them whatsoever for their misleading the House or for their lying to the House.

The SPEAKER: There is.

Mr TRENORDEN: Mr Speaker, I am glad to hear you saying that, but I cannot find it. If a Minister gave me an answer and I accepted it as being correct, but I find some six or 12 months later that it is a direct misleading of the House, that causes me a great deal of pain. If I do not accept it, I am challenging the position of the Minister and that is theoretically not acceptable; if I do accept it and I find out later that the position is false, I am incompetent as an Opposition member for accepting it in the first place. It is a dilemma which this House must sort out. Mechanisms can be brought in to make improvements. I am not here to preempt the second report of the Royal Commission, but as I have said in this place on many occasions the Public Accounts and Expenditure Review Committee is one place where accountability can be brought into play. I believe that three of the five members of the PAC should be non-Government members and that that type of operation would make a Government a little more accountable. The Standing Orders and the substantial powers of the PAC could be made available to investigate actions of the Government to the benefit of the Parliament, not the Government. That is a matter which should be taken up.

The argument raised earlier about the voting system is absolute rubbish. Following the Fitzgerald inquiry in Queensland and all the talk about the vote weighting in Queensland electorates, the independent authority put in place after the Fitzgerald inquiry recommended vote weighting. Before the Labor Party came to power, it said vote weighting was the problem. The Fitzgerald inquiry did not see any problem with vote weighting in Queensland.

Members of Parliament must be accountable. The only person who is not accountable is you, Mr Speaker, and you have a format in place by which you must operate; that has not been damaged and you have carried your position well over the past three or four years. However, the rest of the Parliament has been dramatically damaged. I take great exception to the fact that certain members of this Government have tarnished my position and the positions of the people who will follow after I am long gone from politics. It will take decades to get people comfortable with a Government again, and unless people are comfortable with Government how will they prosper? How will business decide that there is a climate in which it can take risks? How will business know that Government will not undercut it, that Government will keep its promises, or keep within reasonable bounds of its promises? How does business know that Parliament will even function? I have enormous doubts about the capacity of the Legislative Assembly to function.

The matters which the Premier has raised are far too glib. The arguments that have been raised by members of Australian Labor Party gloss over the problems far too easily.

Members on this side of the House have a reasonable expectation of being on the other side next year, but that does not change the fact that the system is now changed for ever. No matter how much members on this side believe that they are more honest and more accountable than the other side the doubts in the system are so deeply ingrained that we will not remove them in a short period. Also we have taught members of Parliament that they can get away with deceit and misleading the House; that they can lie to the House. These matters are the core of the problem. In order to get \$30 million worth of value out the Royal Commission we needed these six volumes from the Royal Commission to lead us in a direction where accountability is returned to this House, and to return control of this Chamber to the Parliament where it is meant to be. The six volumes of the Royal Commission report could have enabled members on this side of the House to run through many issues, and I was very tempted to run through the Government Employees Superannuation Board and the State Government Insurance Commission matters again. However, that has been debated so many times there is no point in it. The question now is how we make this Parliament function.

Debate adjourned, on motion by Mr Bradshaw.

ROYAL COMMISSION (CUSTODY OF RECORDS) BILL

Assent

Message from the Deputy of the Lieutenant Governor and Administrator received and read notifying assent to the Bill.

BILLS (5)

Messages - Appropriations

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

1. Aboriginal Affairs Planning Authority Amendment Bill
2. Fremantle-Mandurah Railway Bill
3. Industrial Relations Amendment Bill (No 3)
4. Motor Vehicle Dealers Amendment Bill
5. Pilbara Development Commission Bill

House adjourned at 11.46 pm

QUESTIONS ON NOTICE

SCHOOLS - SWIMMING CLASSES REDUCTION

1350. Mr MacKINNON to the Minister representing the Minister for Education:

- (1) When was the decision made to cut the in-term swimming program in primary schools?
- (2) Why was this decision made?
- (3) What will be the saving in cost to the Ministry as a consequence of these cuts?
- (4) How many children will the cutback affect?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (1) The decision to reduce the stages offered to students in the in-term swimming program was made in July 1992.
- (2) The Ministry of Education is reducing the number of levels available to students in the in-term swimming program from 12 levels to nine. The senior certificate will become the accepted upper level of "Swim and Survive Proficiency" for formally arranged ministry in-term swimming lessons. Vacation swimming classes will continue to offer the full range of swimming classes. This decision resulted from a review of the ministry's in-term swimming program and the need to identify the minimum standard of swimming and survival proficiency that Western Australian school children should attain before leaving primary school.
- (3) It is estimated that expenditure on the in-term swimming program will be reduced by approximately \$200 000 in the 1992-93 Budget year.
- (4) Approximately 10 to 15 per cent of participants will be affected by the reduction in stages.

DISABLED CHILDREN - SCHOOLS

Therapists Employment

1360. Mrs EDWARDES to the Minister for Disability Services:

- (1) With respect to the recent announcement of the employment of 20 therapists to provide services to disabled children from selected metropolitan schools, when will the people appointed to these positions commence their employment?
- (2) Where will they be based?
- (3) Who will be their employer?
- (4) Will any of the positions or the funding be reserved for the co-ordinator/administration of the service under the authority of the new Disability Services Bureau?

Mr RIPPER replied:

- (1) A principal therapist was seconded in October 1992 to establish the program. The other therapists will be appointed or contracted for services for the beginning of the 1993 school year. It should be noted that the program is not restricted to metropolitan schools but also includes country areas.
- (2) In Ministry of Education district offices.
- (3) Bureau for Disability Services.
- (4) The principal therapist will initially be based at the Bureau for Disability Services to set up the program.

HOSPITALS - FREMANTLE
External Consultant Selection

1370. Mrs EDWARDES to the Minister for Health:

Referring to question on notice 893 of 1992, relating to the selection of the external consultant for the Fremantle Hospital, when can a reply be expected?

Mr WILSON replied:

A response to question on notice 893 was tabled on 22 October 1992.

EDITH COWAN UNIVERSITY - BACHELOR OF APPLIED SCIENCE
(ENVIRONMENTAL HEALTH)

1374. Mr SHAVE to the Minister representing the Minister for Education:

- (1) Is Edith Cowan University proposing to conduct a course for Bachelor of Applied Science (Environmental Health) commencing in 1993?
- (2) Is Curtin University already conducting the same course and has increased enrolments in recent times to cater for future demands for graduates?
- (3) Has Edith Cowan University been advised by the Commissioner of Health that it is doubtful if two courses for Environmental Health Officers can be sustained in a State the size of Western Australia?
- (4) If no to (3), will the Minister investigate this matter and take appropriate action?
- (5) If yes -
 - (a) does the Minister believe that a second Environmental Health Course is warranted at this stage;
 - (b) why?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (1) Yes.
- (2) Curtin University of Technology offers a similar course, the student load for which has increased from 64 in 1987 to 89 in 1992.
- (3) Yes.
- (4) Not applicable.
- (5) Universities are autonomous institutions funded, in the main, by the Commonwealth. Only their broad profile is subject to debate. The proposed course falls within the agreed profile of Edith Cowan University. University courses are concerned with developing broad intellectual skills and abilities among students albeit sometimes in specific occupational contexts. The breadth of the Edith Cowan University course will ensure that the graduates, like other science graduates, can seek a wide variety of employment options. The university has advised that it has a well developed mechanism for reviewing new course proposals. The potential for course duplication has been considered as well as resource implication. It is the judgment of the university that the new course will complement existing provision and can be mounted economically providing opportunities for residents in the northern suburbs to have ready access to the program.

EDITH COWAN UNIVERSITY - BACHELOR OF APPLIED SCIENCE
(ENVIRONMENTAL HEALTH)

1376. Mr SHAVE to the Minister representing the Minister for Education:

- (1) Is Edith Cowan University proposing to conduct a course for Bachelor of Applied Science (Environmental Health) commencing in 1993?

- (2) Has Edith Cowan University received any advice from the Executive Director of Public Health, that the particular course is suitable for qualification as an Environmental Health Officer?
- (3) Has Edith Cowan University advertised the course indicating that completion of the course would be suitable qualification to become an Environmental Health Officer?
- (4) On what grounds can such assurances be given by Edith Cowan University?
- (5) Would such indications in advertisements be prematurely enticing enrolments in a course that may not be of a standard required by the Executive Director of Public Health as suitable qualification as an Environmental Health Officer?

Dr GALLOP replied:

- (1) Yes.
- (2) Edith Cowan University has been informed by the Commissioner for Health of the process which would be used to facilitate recognition of graduates of the course to qualify for employment as environmental health officers.
- (3) The course is designed to prepare students for a professional career in environmental health and has been advertised as such.
- (4) The university relies upon its established internal course development processes and its reputation for the standing of its courses.
- (5) At this stage the Health Department is not able to anticipate the acceptability of graduates of the course but the university has been assured that the course will be judged on its merits.

**EDITH COWAN UNIVERSITY - BACHELOR OF APPLIED SCIENCE
(ENVIRONMENTAL HEALTH)**
Curtin University of Technology Course

1379. Mr TRENORDEN to the Minister representing the Minister for Education:

- (1)
 - (a) Is Edith Cowan University proposing to conduct a course for Bachelor of Applied Science (Environmental Health) commencing in 1993;
 - (b) has Curtin University been conducting the same course for approximately 20 years;
 - (c) has Edith Cowan University been advised by the Commissioner for Health and the Institute of Environmental Health that it is doubtful whether two courses for Environmental Health Officers can be sustained, taking into consideration the population of this State;
 - (d) do States with greater population and with employment opportunity only have one university conducting this course?
- (2) Is the Minister prepared to publicly request Edith Cowan University to abandon the course?
- (3) If the answer to (2) is no, why not?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (1)
 - (a) Yes.
 - (b) Curtin University of Technology has been conducting a bachelor of applied science in environmental health since 1977.
 - (c) Yes.
 - (d) Yes, however other forms of - non-university - preparation may be available in other States for employment in environmental health.
- (2) No.

- (3) There are two major reasons. Firstly universities are autonomous institutions funded, in the main, by the Commonwealth. Only their broad profile is subject to debate. The proposed course falls within the agreed profile of Edith Cowan University. Secondly, university courses are concerned with developing broad intellectual skills and abilities among students albeit sometimes in specific occupational contexts. The breadth of the Edith Cowan University course will ensure that the graduates, like other science graduates, can seek a wide variety of employment options. Graduates of the Edith Cowan University course will presumably compete with graduates of the Curtin University of Technology courses to some extent and if the labour market is tight some will not get jobs as environmental health officers but will have the skills and abilities to obtain other forms of employment. The same principles hold in many other areas of higher education that are subject to supply/demand pressures.

CENTRAL PARK DEVELOPMENT - COMPLETION DATE
Cost; Leases

1395. Mr MacKINNON to the Minister assisting the Treasurer:

- (1) When is it anticipated that the Central Park building will be completed?
- (2) What is its expected completion cost?
- (3) What proportion of the building has been let?
- (4) (a) Have any non-Government tenants signed up for leases;
(b) if so, what proportion of the building has been let to private tenants?

Dr GALLOP replied:

- (1) The tower is expected to be completed in November 1992 and the associated site works in March 1993.
- (2) \$338.5 million.
- (3) 26.8 per cent.
- (4) (a) Yes.
(b) 22.5 per cent.

BILLS OF SALES ACT 1899 - REVIEW
Relevance of Securities in Livestock, Crops and Wool

1410. Mr HOUSE to the Minister for Consumer Affairs:

- (1) Is the Ministry currently reviewing the Bills of Sales Act 1899 in relation to the relevance of the registration and enforcement of security interests in livestock, crops and wool?
- (2) If yes, what is the purpose of the above review?
- (3) Has the Ministry consulted with rural financiers?
- (4) If yes, what has been the outcome of these consultations?
- (5) Is the Minister intending to introduce any amendments to any legislation following the above review?
- (6) If yes, when will these amendments be introduced?

Mrs HENDERSON replied:

- (1) Yes.
- (2) To determine if the bills of sale legislation is adequate and appropriate to modern conditions.
- (3) Initial discussions have been held with all major users of the bills of sale service, including rural financiers.
- (4) No final outcome has been reached. However, there is initial support for an

investigation into the feasibility of including securities currently registered under the Bills of Sale Act on the register established under the Chattel Securities Act.

- (5) This will depend on the final outcome of the review.
- (6) Not applicable.

MARKETING OF POTATOES ACT 1946 - AMENDMENTS AND REVIEW
Marketing of Potatoes Regulations 1987 Amendments

1411. Mr HOUSE to the Minister for Agriculture:

- (1) Will the Government be introducing any legislation to amend or repeal the Marketing of Potatoes Act 1946?
- (2) If yes, when will the Bill be introduced?
- (3) Will the Government be gazetting any amendments to the Marketing of Potatoes Regulations 1987?
- (4) If yes, when will these amendments be tabled?
- (5) What sections of the above Act or regulations will the Government seek to amend or repeal?
- (6) Will the Minister be issuing any Ministerial orders to change or repeal the above Act or regulations?
- (7) What is the current state of play with the statutory review of the Marketing of Potatoes Act?
- (8) When will the above review be completed?
- (9) Will the Minister assure the House that the Government will not abolish or change any functions of the Potato Marketing Authority before the tabling of the statutory review of the Act?

Mr BRIDGE replied:

(1)-(6),(9)

The extent and timing of legislative action is being determined.

(7)-(8)

The ministerial review is continuing and all interested parties will have the opportunity to make submissions. The review committee has been asked to report no later than 31 December 1992.

INDEPENDENT LIVING CENTRE - FUNDING

1412. Mr HOUSE to the Minister for Disability Services:

- (1) How much funding was allocated to the Independent Living Centre in -
 - (a) 1991-92;
 - (b) 1992-93?
- (2) Is the above funding sufficient to ensure the continuation of the centre's programs?
- (3) Will the Communication's Department of the Independent Living Centre continue to be funded in 1992-93?
- (4) If no, why not?

Mr RIPPER replied:

- (1) (a) \$272 300.
- (b) \$293 700.

- (2) State funding to the independent living centre has increased by 7.9 per cent and is sufficient to ensure the continuation of State funded programs.
- (3) The micro computer and communication aids service is funded by the

Commonwealth Government. The State contribution is the provision of 0.5 FTE speech pathologist. The State contribution will continue to be provided.

- (4) The independent living centre has applied to the Commonwealth for funding of the micro computer and communication aids service.

EMPLOYMENT - TRADE UNION MEMBERSHIP REQUIREMENT

Waterfront Employees; Transperth Employees; Government Contract Cleaners - Legal Practitioners, Law Society of Western Australia Membership

1413. Mr COWAN to the Minister for Productivity and Labour Relations:

Further to question on notice 1115 of 1992 -

- (a) is it a condition of employment for certain types of work on the waterfront that the employee is a member of a trade union;
- (b) is it a condition of employment for certain types of work with Transperth that the employee is a member of a trade union;
- (c) is it a condition of employment for legal practitioners employed by the Government that they are members of The Law Society of Western Australia;
- (d) does the Government require, as a condition of employment, that all its cleaners and contract cleaners are members of a union or of the Master Cleaners Guild?

Mrs HENDERSON replied:

- (a) While an exhaustive survey of employment arrangements in the waterfront industry in this State has not been undertaken I am advised that at least in Government employment there is no requirement as a condition of employment for an employee to be a member of a trade union.
- (b) There is no requirement as a condition of employment within Transperth for an employee to be a member of a trade union.
- (c) The Law Society of Western Australia is a voluntary organisation and legal practitioners employed by the Government are not required to be members.
- (d) Cleaners employed by Government are not required as a condition of employment to be members of the union. Cleaning contractors are required to be members of the Master Cleaners Guild to be eligible for Government tenders. This is part of the normal tendering process within Government.

LANGUAGES OTHER THAN ENGLISH (LOTE) - TIMELINES FOR EXPANSION OF PROGRAMS

Government Schools; Year 11 and 12 Student Retention Rates

1414. Mr TUBBY to the Minister representing the Minister for Education:

- (1) With reference to the Languages other than English ten year strategic plan of 22 October 1991 -
 - (a) which timelines for the expansion of LOTE programs in Western Australian Government primary schools have been met to date;
 - (b) what difficulties or delays (if any) have been experienced in achieving these timelines;
 - (c) which timelines for the expansion of LOTE programs in Western Australian Government secondary schools have been met to date;
 - (d) what difficulties or delays (if any) have been experienced in achieving these timelines?
- (2) What are the retention rates of year 11 and 12 students in Government schools in -
 - (a) 1989;

- (b) 1990;
- (c) 1991?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (1) (a) All timelines for the expansion of LOTE programs in Western Australian Government primary schools are on target.
- (b) No difficulties or delays have been experienced in meeting these timelines.
- (c) All timelines for the expansion of LOTE programs in WA Government secondary schools are on target.
- (d) Some difficulty has been experienced with the development of a lower secondary Japanese course for use at the Distance Education Centre, and implementation of this maybe delayed until 1994.
- (2) Retention rate of year 11 students -

1989)	69.3
1990) 2nd Semester	74.4
1991)	81.3
- (3) Retention rate of year 12 students -

1989)	48.1
1990) 2nd Semester	49.7
1991)	58.3

These calculations do not include senior college, part time or full fee paying students.

HERITAGE - NORTHAM SHIRE FARMING HERITAGE TRAIL

1416. Dr ALEXANDER to the Minister for Heritage:

- (1) Did the Shire of Northam receive a grant of \$14 000 for the establishment of a farming heritage trail along the old railway reserve between Wooroloo and Spencers Brook, as a bicentennial project?
- (2) If so, how was the \$14 000 to be expended?
- (3) Was this expenditure in accordance with the bicentennial project funding requirements?
- (4) What is the current state of the trail?
- (5) Is part of the trail, intended for a bridle path, being used by vehicles?
- (6) If so, why?
- (7) Have the reserves been upgraded in keeping with the establishment of a farming heritage trail?
- (8) Was part of the trail not upgraded but made a road reserve?
- (9) Was the Heritage Council notified in 1990 that a road was being constructed over the trail?
- (10) If so, what action did the Heritage Council take?
- (11) Has the Heritage Council approached the Shire of Northam regarding the road over the farming heritage trail?
- (12) What precisely was the response?
- (13) What is the Heritage Council's role in protecting the farming heritage trail?
- (14) Has the Council met its obligations in protecting the farming heritage trail?
- (15) Is it the Shire of Northam's responsibility to establish and administer the protection of the farming heritage trail?
- (16) If not, who is responsible?

Mr McGINTY replied:

- (1) A grant of \$14 900 was made for the establishment of the farming heritage trail as part of the heritage trail network project, funded under the bicentennial commemorative program. The funds were paid to the Shire of Northam as grant administrator on behalf of Broadnet Pty Ltd, a private company which conceived and designed the farming heritage trail.
- (2)-(3) The funds were expended on production of the brochure for the trail, production of interpretive and directional signage, grading of sections of trail as required, and the purchase of trail furniture in the form of bins and benches. The expenditure was for standard items within the heritage trail network project and in accordance with bicentennial funding requirements.
- (4) The trail is essentially in two parts. The Wooroloo to Clackline section runs along disused and unvested railway and Government purpose reserves. The Clackline to Spencers Brook section, which is the shorter section, is on a road reserve under the control of the Shire of Northam. The Wooroloo to Clackline section remains as it was conceived, although most of the signage has been stolen. The Clackline to Spencers Brook section has been affected to some degree by council roadworks although the trail route remains open.
- (5)-(8) The Clackline to Spencers Brook section is being used for traffic as part of the former railway reserve; the Shire of Northam is in the process of creating a graded track within the portion of the reserve not required for road. The Wooroloo to Clackline section is accessed by vehicles on occasion. It would be difficult if not impossible to totally exclude vehicle access given the position of the trail adjoining multiple landowners on one side, and Great Eastern Highway and Werribee Road on the other. The reserves were upgraded to the extent that the signage for the trail was erected; however, this was stolen and has not been replaced yet.
- (9)-(10) The Heritage Council did not exist in 1990, being formed after the proclamation of the Heritage Act in February 1991. The organisation which preceded the council, the WA heritage committee, was notified in 1990 that road construction was planned for the Clackline to Spencers Brook section. Following an investigation, the WA heritage committee accepted the Shire of Northam's advice that the trail would be adequately catered for within the road reserve, which the road alignment would only partly take up.
- (11)-(12) The Heritage Council has had extensive discussions with the Shire of Northam concerning the status of the farming heritage trail and the road specifically. The shire's response has been to reiterate that it fully intends to provide for a trail facility in the Clackline to Spencers Brook area in conjunction with its program of road works within the road reserve.
- (13)-(16) The heritage trails network concept was devised as a community based project, with responsibility for ongoing care and maintenance of individual trails being a local matter. It was always the intention that set up costs only would be provided by the State Government through the bicentennial commemorative program. A condition of all heritage trail network grants was that the recipient - in this case Broadnet Pty Ltd - accepted responsibility for future maintenance of the trails. Unfortunately this organisation has ceased to exist. The Shire of Northam is prepared to accept responsibility for only the Clackline to Spencers Brook and is not obliged to do more. The Heritage Council has invested a good deal of staff time in seeking to find suitable "custodianship" for the whole length of the trail including the option of local community responsibility. However, this has not proved possible to date. Given that there are approximately 100 trails across Western Australia, it

would not be a viable option for the Heritage Council to be accepting responsibility for funding and managing the ongoing care of individual trails. Its responsibility lies in promoting the network as a whole, providing advice to local custodians where required, and endeavouring to assist on problem issues such as this. The Heritage Council has fulfilled its responsibilities in this regard.

INDUSTRIAL RELATIONS COMMISSION - POWERS TO ORDER OR RATIFY PREFERENCE TO UNIONISTS PROVISIONS POLICY

1419. Mr TRENORDEN to the Minister for Productivity and Labour Relations:

- (1) Does the Government have a policy on the question of whether or not the Industrial Relations Commission should have the power to order or ratify preference to unionists provisions?
- (2) If so, what is that policy?

Mrs HENDERSON replied:

(1)-(2)

The Government believes that the current provisions of the Industrial Relations Act, specifically part VIA, are inadequate and do not assist the industrial parties in this State in addressing the issue of disputes relating to union/non-union membership. For this reason an independent inquiry has been established to investigate the matter.

KATANNING REGIONAL CRISIS CENTRE - FTE ESTABLISHMENT INCREASE

1424. Mr WIESE to the Minister for Community Development:

Has the Katanning Regional Crisis Centre received any increase in FTE establishment?

Mr RIPPER replied:

The Katanning regional crisis accommodation centre has not received any increase in FTE establishment. The Katanning regional crisis accommodation centre receives \$41 685 per year under the supported accommodation and assistance program. In recognition of demand for the service, a sum of \$5 000 has been provided on 1 July 1992 as a one-off payment to enable an Aboriginal support worker to be employed when required.

SWANLEIGH - PER CAPITA GRANT

1425. Mr WIESE to the Minister representing the Minister for Education:

- (1) Is Swanleigh continuing to receive a per capita grant?
- (2) If so, was it increased for the 1992 school year?
- (3) Is an increase planned for the 1993 school year?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (1) Yes.
- (2) No.
- (3) The level of funding for payment of the per capita grant to Swanleigh in 1993 is currently under consideration.

BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND LEVY - FUNDS COLLECTED

Remaining Balance Investments

1435. Mr HOUSE to the Minister representing the Minister for Training:

Further to the answer to question on notice 1026 of 1992, given that at 26 August 1992, \$5,796,911 had been collected under the building construction and industrial training levy, and only \$1,286,452 had been spent

on training programs, in relation to the remaining balance of \$4,510,459, can the Minister outline -

- (a) have these funds been invested;
- (b) if yes, where have they been invested;
- (c) who is managing this investment;
- (d) where is the interest earned from these investments placed;
- (e) if no to (1), what has been done with these funds?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (a) Yes.
- (b) Challenge Bank.
- (c) The BCITF Board.
- (d) Interest earned is retained in the fund.
- (e) Not applicable.

EMPLOYMENT, VOCATIONAL EDUCATION AND TRAINING, DEPARTMENT OF - LECTURERS' NON-TEACHING WORK

1437. Mr KIERATH to the Minister representing the Minister for Training:

- (1) Are the following all necessary non-teaching aspects of a Department of Employment, Vocational Education and Training lecturer's work -
 - (a) responding to requests for information and statistics from superiors;
 - (b) reading departmental memos;
 - (c) attending teaching department meetings;
 - (d) co-ordinating activities with other lecturers;
 - (e) arranging live work visits;
 - (f) setting examinations and setting and marking internal assignments;
 - (g) researching information and preparing lecture notes;
 - (h) developing lesson plans;
 - (i) selecting and arranging the use of videotapes and video machines;
 - (j) organising the availability of teaching equipment;
 - (k) counselling individual students;
 - (l) responding to public inquiries;
 - (m) preparing correspondence connected with work experience;
 - (n) reading to stay abreast of new developments in a study area;
- (2) Is the existing 22 minutes non-teaching time per hour taught adequate for the above purposes?
- (3) In particular, is this time adequate for -
 - (a) newly employed lecturers;
 - (b) lecturers presenting new subjects or subjects they have not presented before?
- (4) What proportion of the fees paid by Technical and Further Education students has been credited to the budgets of individual areas of study to allow improvements in the quality of teaching or teaching aids in those areas?

Dr GALLOP replied:

The Minister for Training has provided the following reply -

(1)-(3)

Yes.

- (4) All of the revenue from fees has been applied to the creation of additional places in the TAFE system.

SETTLEMENT AGENTS SUPERVISORY BOARD - DELAYS IN PROCESSING TRIENNIAL CERTIFICATE RENEWALS FOR SETTLEMENT AGENTS

1439. Mr STRICKLAND to the Minister for Consumer Affairs:

- (1) Are there lengthy delays in the processing of applications for the renewal of triennial certificates for settlement agents by the Settlement Agents Supervisory Board?
- (2) In the case of three firms has there been an eleven month delay?
- (3) Have there been many months delay in the case of at least twelve settlement agencies?
- (4) Is the Minister satisfied with Board operations which have the effect of leaving settlement agents operating for significant periods without certificates?
- (5) Will the Minister act to require the Board to upgrade its operations?

Mrs HENDERSON replied:

- (1) Not generally. It is a requirement that agents provide details of their financial resources and in some instances this information is not provided or clarification is required before the board will grant renewal.
- (2)-(3) If the member will provide me with details of the firms concerned I will check on the situation.
- (4) The board is discharging its duty under the Act. Agents are deemed to be licensed until the renewal is refused.
- (5) I am not convinced this is necessary at this time.

RESIDENTIAL TENANCIES ACT - AMENDMENTS

1440. Mr STRICKLAND to the Minister for Consumer Affairs:

- (1) What changes to the Residential Tenancies Act 1987 have been proposed or are under consideration by the Minister?
- (2) (a) Will a Bill to legislate for changes to this Act be presented to Parliament in this session;
(b) if so, when is this likely?

Mrs HENDERSON replied:

- (1) There are several changes which, as a result of the review of the Residential Tenancies Act, I propose should be made to the Act. The most significant of these deal with the establishment of a single independent dispute resolution forum, improvements to the manner in which bonds are handled, prescription of standard property condition reports and tenancy agreements, and clarification of some earlier doubts about whether the Act applied to some types of dwellings, such as caravans.
- (2) (a)-(b) A Cabinet submission has been prepared, seeking Cabinet's approval to draft the necessary amendments. The time at which a Bill will be presented depends on the legislative timetable.

ABORIGINAL COMMUNITIES - HYGIENE STANDARDS IMPROVEMENTS

1447. Mr GRAYDEN to the Minister for Health:

- (1) Does the Minister accept that it is up to Aboriginal communities to raise their own hygiene standards to reduce the risk of disease?

- (2) Is a specific effort being made by the Government to ensure that Aboriginal communities achieve such a result.
- (3) If so -
 - (a) what form does this program take;
 - (b) to what extent is the program meeting with success;
 - (c) what action, if any is taken when Aboriginal communities ignore departmental efforts to improve hygiene requirements?

Mr WILSON replied:

- (1) The improvement of hygiene in Aboriginal communities requires a cooperative approach between Federal, State and local governments, the Aboriginal and Torres Strait Islander Commission and the communities themselves. To place all responsibility on Aboriginal communities would be to deny them the support services provided to other groups in the State.
- (2) Yes.
- (3) (a) Support is provided to Aboriginal communities, local government and Aboriginal resource agencies for the employment, training and supervision of environmental health workers and management of environmental health programs for Aboriginal communities.
- (b) The success of the program in communities varies over time and between communities. An external evaluation of the program is nearing completing and should provide an assessment of the factors contributing to and detracting from success and ways in which the program can be strengthened.
- (c) The action taken depends on the situation in any particular case. In general, the approach adopted has emphasised education and community development approaches. However remedies under the Health Act have been employed in some situations and the Executive Director, Public Health is giving active consideration as to how this approach can be used more effectively, particularly to intensify the contribution of local government.

MARKETING OF POTATOES ACT - REVIEW

Public Submissions Closing Date

1448. Mr HOUSE to the Minister for Agriculture:

- (1) Is the closing date for submissions to the statutory review of the Marketing of Potatoes Act 1946, Friday 23 October 1992?
- (2) Given the announcement by the Minister for State Development regarding the abolition of the key functions of the authority will the Minister be widening the terms of reference of the review?
- (3) If yes, will the Minister undertake to extend the period of time for public submissions, so that recent proposed changes can be commented on by growers and other interested parties?

Mr BRIDGE replied:

- (1) Yes.
- (2) The matter is being discussed with the review committee and will be resolved shortly.
- (3) This issue may surface in dealing with (2) above.

EMPLOYMENT, VOCATIONAL EDUCATION AND TRAINING, DEPARTMENT OF - ADULT LITERACY PROGRAM

Clients' Personal Information Reason; Support Officer Appointment

1449. Mr HOUSE to the Minister representing the Minister for Education:

- (1) What are the reasons for the Department of Employment, Vocational

Education and Training requiring personal information about students being assisted by the adult literacy program?

- (2) Will funding provided by the department for the program be reduced if this personal information is not provided?
- (3) Does the department intend to appoint a support officer to give support to the volunteer coordinator and tutors of the adult literacy program?
- (4) If yes, when will this appointment be made?
- (5) If no, why not?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (1) Information sought from adult literacy clients relates to -

employment status
income support
job learning needs
destination goals and aspirations

and is sought to assist clients to access their proper entitlements, such as student financial assistance schemes, etc.

- (2) No.
- (3) Nine literacy specialists will be available in regional areas to assist volunteer coordinators and tutors by the end of 1992.
- (4) Colleges are currently seeking suitable applicants.
- (5) Not applicable.

MARKETING OF POTATOES ACT - AMENDMENTS

1452. Mr OMODEI to the Minister for Agriculture:

- (1) Is it the intention of the Minister or the Government to repeal, and/or amend the marketing of Potatoes Act 1946 and its regulations?
- (2) If yes, how does the Minister reconcile himself with commitments he had made to potato growers whereby he has guaranteed the continuation of the Potato Marketing Authority and the Potato Industry Review?
- (3) If no, how does the Minister reconcile himself with statements made by the Deputy Premier wherein he has made statements to the effect that he intends to deregulate the potato industry by removing the pricing, licensing and regulatory function of the Potato Marketing Authority?

Mr BRIDGE replied:

- (1) The Government has announced its intention to seek to amend the Marketing of Potatoes Act 1946. The extent and timing of legislative changes are being determined.
- (2)-(3) The Potato Growers Association has been informed that the Potato Marketing Authority will continue to discharge its statutory functions until the Marketing of Potatoes Act is amended by Parliament. The review of the effectiveness of the operation of the Marketing of Potatoes Act over the past five years and a report to Parliament based on that review will be completed in accordance with statutory requirements. The announcement by the Deputy Premier is a reflection of the Government's intention to propose to Parliament that the extent of statutory involvement in the potato industry should be reduced.

REMNANT VEGETATION PRODUCTION SCHEME - FUNDING REDUCTION

1462. Mr HOUSE to the Minister for Agriculture:

Given the Government's commitment to continue funding of the Remnant

Vegetation Protection scheme over the Decade of Landcare to protect remnant native vegetation with conservation values on private and public land -

- (1) Why has the allocation of funds under the scheme been reduced from previous levels of \$500 000 per annum?
- (2) What other action has the Government taken to initiate Cabinet's decision of 3 October 1988 to encourage preservation and discourage clearing or degradation of native vegetation on private land identified as being of significance to the preservation of flora and fauna?
- (3) What is the area of remnant vegetation that has been protected by the Scheme since its inception?
- (4) When will the Minister make available to the Parliament the results of the Department of Agriculture's geographical systems mapping of remnant vegetation?

Mr BRIDGE replied:

- (1) The Government has not made a commitment to fund the remnant vegetation protection scheme for the period of the decade of landcare. The commitment made was for \$1.5 million for three years, 1988-89, 1989-90, 1990-91. Since that time funding for the scheme has been met from the Department of Agriculture's Consolidated Revenue Fund allocation.
- (2) The Department of Agriculture has -
 - Facilitated the inclusion of remnant vegetation and its protection into community-based catchment planning through both LCDCs and catchment groups;
 - Completed the mapping of remnant vegetation throughout the agricultural region of the State;
 - Introduced technically sound guidelines for the assessment of clearing proposals;
 - Attracted save the bush funding to assist in the delivery of remnant vegetation maps to LCDs for use in catchment plans.
- (3) The area of land protected by the remnant vegetation protection scheme is 27 687 hectares.
- (4) The geographic information system mapping of remnant vegetation in the south west of the State will be available to the Parliament by 30 November 1992.

QUESTIONS WITHOUT NOTICE

SIMCOA SILICON SMELTER, KEMERTON - GOVERNMENT SUPPORT PACKAGE

406. Mr C.J. BARNETT to the Minister for State Development:

- (1) Regarding the Simcoa silicon smelter at Kemerton, did the Government agree earlier this year to provide a support package which was paid to an offshore banking group, which currently controls that project?
- (2) If so, why was the support provided?
- (3) What is the total value and structure of the support package?
- (4) Has approximately \$1.5 million already been paid to the banking group?
- (5) Most importantly, why has the Government failed to reveal details of this support package to the Parliament and the people of Western Australia?

Mr TAYLOR replied:

- (1) Yes.
- (2) Quite simply, jobs! As a member of a possible coalition, the member should

speaking to the member for Collie who certainly put rigorous suggestions to me regarding this issue about how important it was for jobs that the facility be kept open.

Mr Bradshaw: What about fair and open Government?

Mr TAYLOR: I am coming to that.

(3)-(5)

I am more than happy to make available information on this matter. As was clearly set out in the WA Advantage document, any assistance the Government provides to any organisation will be part of a package which the Minister for State Development will table in this House. In that case everyone will know what assistance has been given to a range of projects in Western Australia.

Mr MacKinnon: When?

Mr TAYLOR: This financial year.

Mr C.J. Barnett: Why not make it public?

Mr TAYLOR: I have no problem with that. It is part of the documentation we will make available to the Parliament. If the member has problems with saving jobs in Western Australia, I do not!

"JOBLESS FIGURE TOO LOW: COURT" NEWSPAPER REPORT

407. Mr RIEBELING to the Premier:

Does she agree with the view expressed under the heading "Jobless figure too low: Court" in a morning newspaper last month?

Dr LAWRENCE replied:

This matter did not attract much print space, but the "Jobless figure too low: Court" heading expresses an astonishing view which appeared to be expressed by the Leader of the Opposition. When I first saw the article, I thought it was a little language mishap which occurs from time to time, and which is usually blamed on journalists or subeditors.

I do not think that the Leader of the Opposition would entertain the view that the jobless figure was too low, and that like everyone else in this House he would believe it was too high and making sensible propositions to reduce the figure. However, as we have just heard, the Opposition's view is that whenever the Government moves to ensure that projects are undertaken and support to industry is provided, it finds fault. We can only conclude that the Opposition is happy to see the high unemployment figure remain.

I can understand that philosophy when I see what is happening in Victoria. The member for Riverton keenly distanced himself from the slash and burn policies imposed in Victoria, which were not enunciated to the people prior to that election. It is interesting that some of the same thinking permeates the Liberal Opposition in Western Australia. I would not like to speak for the National Party, which has a different attitude to the support for industry as its members are often very vocal in support for country industries.

However, the Liberal Party in Western Australia seems to share the philosophy evident in Victoria. I warn the Parliament and the people of Western Australia to look behind the waffle of words of the Liberal Party's industrial relations position. The member for Riverton may wish to distance himself from the slash and burn Victorian policy, but what did voters in Victoria wake up to? Before the election in Victoria the voters heard the same reassuring noises which the Western Australian Liberal Party is making at the moment about no changes being made to wages and conditions and that nobody will be worse off. Nevertheless, what happened? In the most cynical way, leave loading was dropped as penalty rates were eliminated. No discussions or negotiations took place as it was imposed by legislative fiat. The actions of the Liberal Party in Victoria were terrible.

At the same time, every right thinking person in Australia has been scandalised by the fact that the Victorian Government simultaneously fixed up the Parliament House dining room, brought back the silver service and increased its members' wages, including that of the person who proposed this scheme.

Mr C.J. Barnett: Watch out for the Speaker!

Dr LAWRENCE: The Speaker has taken the proper attitude on these matters, pushing hard for Parliament to be properly resourced. He would not push hard for the top of the range, A class restaurant-type service, which the Victorian Liberal Party sees as its right.

We must be cautious of the Western Australian Liberal Party. The Opposition is not prepared to accept industry assistance programs; it stands in the way of development in this State, criticises any proposal, and embraces a State industrial relations policy which will result in many lost jobs and lower wages. What effect does that have? Less consumption - the economy will be sent into reverse.

Mr Kennett's policy is similar to that adopted by some Governments before the Depression of the 1930s, after which things became worse. We can expect the same sort of deception witnessed in Victoria with the Liberal Party in this State; it will tell people one thing and then adopt the opposite whenever it can get into power. I am pleased that Jeff Kennett has shown Australia what the Liberal Party is really all about!

NUCLEAR REACTOR - LOCATION SUBMISSION

408. Mr COWAN to the Minister for State Development:

- (1) Has the Department of State Development or the Government made a submission to the committee of review into the location of a research nuclear reactor?
- (2) Is the department or the Government planning to make such a submission?
- (3) If yes, has it, or will it, nominate a site in Western Australia as an alternative location for the reactor?
- (4) If so, where?

Mr TAYLOR replied:

(1)-(4)

I did not catch the first part of the question, but I think I know what the member said. The review to which the member refers has three aspects. The first two terms of reference of the review committee relate to the need, or otherwise, to replace the nuclear reactor. If the committee determines that it is necessary to replace the reactor, I understand it will move to a third term of reference regarding its location.

I will encourage the scientific and business communities - particularly the scientific medical community - to address the need for the reactor. It is necessary to replace the reactor at Lucas Heights; that is a personal opinion and I do not pretend to be an expert on these issues. However, I cannot imagine how we would manage, in a medical sense, without such a facility.

Mr Court: That is a different answer from the one you gave a few weeks ago.

Mr TAYLOR: I do not think it is. However, I am sure the Leader of the Opposition will check. If the decision is made to replace the reactor, I will be more than happy to deal with that at the time. I was very interested to read in *The Geraldton Guardian* the other day a suggestion that apparently the Government or I suggested that Oakajee would be a site for a nuclear reactor. It was news to me and I am sure it would have been news to the member for Greenough.

Mr Minson: I could hardly believe my luck. I was going to ask the Labor candidate what he thought.

Mr TAYLOR: It is not my intention at this stage to identify a site. I will wait to see the first two terms of reference. The Department of State Development may put in a submission concerning those. However, I have not yet made a decision.

DIRECTOR OF PUBLIC PROSECUTIONS - INQUIRY INTO ROYAL COMMISSION'S FINDINGS FUNDING

409. Dr CONSTABLE to the Premier:

- (1) Can the Premier assure the House that the Director of Public Prosecutions has sufficient resources to investigate the findings of the Royal Commission?
- (2) What extra funds have been allocated to the Director of Public Prosecutions and how many extra staff have been employed by the DPP specifically to investigate the findings of the Royal Commission?

Dr LAWRENCE replied:

(1)-(2)

It is important to remind the member that it has been announced, and I said in Parliament, I think, in advance of the Royal Commission report and the specific references made to the DPP in the second report, that the Government has provided approximately 15 staff, many of whom came directly from the Royal Commission, initially anticipating and then following through the Royal Commission's findings. That was on top of a new, very considerable staffing allocation for the DPP. I have given him a very clear undertaking that if at any stage he requires additional resources to enable him to follow through the recommendations of the Royal Commission, he should immediately notify the Government. We are acting at this stage on the basis that he advise us of how many staff he needs, what calibre of staff he needs and what contingency funds are required to support their activities. I do not have a total number of staff working for the DPP.

Mr House: In the Budget papers the allocation is 72.

Dr LAWRENCE: It is above that. Fifteen were provided in anticipation of the Royal Commission's findings. I think the total number is approximately 90. I will double check those figures for the member and will provide, on notice, the precise figures. We are acting on advice from the DPP. He has a very clear commitment from us that, should he require additional resources, they will be provided subject, obviously, to normal questions being asked by officers in the Treasury about the need for resources accompanying staff who are attached. Legal staff are often very expensive. A lawyer or legal investigator often requires four or five other staff plus the resources that go with them.

INDUSTRIAL RELATIONS - VICTORIA-WESTERN AUSTRALIA LIBERAL PARTY POLICIES
Similarities

410. Mr LEAHY to the Minister for Productivity and Labour Relations:

Can the Minister inform the House of any similarities between the industrial relations policies of the Kennett Liberal Government of Victoria and the Western Australian Liberal Party, released last Thursday?

Mrs HENDERSON replied:

I am more than happy to provide that information despite the protestations of the member for Riverton seeking to distance himself from his Victorian colleagues' actions. There are remarkable similarities between the Victorian Liberal Party policies and those announced in Western Australia. Firstly, the Victorian policies initially stated that no person in employment would suffer any loss of award wages or conditions. We all know what happened when the Victorian Liberals got into power. The Western Australian Liberal policy states that employees deserve greater freedom to negotiate employee conditions. What does the Western Australian Fightback package say about this greater freedom to negotiate improved conditions? It states on page 3

that "relevant commitments include cutting labour costs by the introduction of enterprise bargaining". That is a new notion of enterprise bargaining. It is exactly what has happened in Victoria.

Several members interjected.

The SPEAKER: Order!

Mrs HENDERSON: The second, immediately obvious, major similarity between the two policies is that both the Victorian and the Western Australian policies aim to introduce a new alternative to the award system. The only difference is that the Victorians are more honest. The Victorian Government has said it will abolish the award system; it will set a date for expiry of awards and that will be it. The Western Australian policy tries to be a little more subtle. It says there will be a choice; employers and employees can agree to opt out of the award system or stay in it. For example, a person who may apply for a new job may indicate he wants to stay with the award, but the employer will be able to offer a contract stating the company's conditions. If that person does not accept those conditions he will be out the door and the next person will be in. There will be no choice if the employer wants to have a contract with lesser conditions.

Several members interjected.

The SPEAKER: Order!

Mrs HENDERSON: There will be no choice when it comes to this matter. Individual employees seeking jobs will have no choice whether they stay with the award or sign a contract. They will accept the printed contract which is put on the table in front of them. A Liberal Government will do what is suggested in the WA Fightback package; that is, reduce labour costs by cutting back on enterprise agreements. The third major area of striking similarity concerns minimum conditions in both the Victorian and the Western Australian Liberal Party policy. What is the use of a minimum hourly rate without a minimum number of hours? How can one achieve a minimum weekly wage with only a minimum hourly rate and no minimum number of hours? Anyone should be able to work out the difficulty in that. Then the policy refers to so-called minimum annual leave, minimum sick leave and minimum maternity leave.

Several members interjected.

The SPEAKER: Order!

Mrs HENDERSON: Of course the Opposition will not tell us or the public what these minimums are, because it does not want people to know where it will set the minimums. Those minimums will provide the same conditions as those in Victoria. The key point is that when the Opposition was trying so hard to distance itself in the past couple of days, the Opposition spokesman said Mr Kennett was politically stupid. The member for Riverton did not disagree with the content, however. Mr Kennett is an embarrassment to the Liberals because he is doing in an open, honest, bold but pig-headed way what all State Liberal Parties want to do.

ROYAL COMMISSIONERS - MEMBER FOR EYRE'S CRITICISMS

No Disciplinary Action; Apology

411. Mr COURT to the Premier:

- (1) Why has the Labor Government not taken any action to discipline the member for Eyre following his attacks on the integrity of the Royal Commissioners?
- (2) Has the Premier offered an apology to the Royal Commissioners on behalf of the Labor Government?

Dr LAWRENCE replied:

(1)-(2)

I know that the attitude of members opposite is based on a very authoritarian

view of the world; that is, if one does not agree with them, whack, keep them quiet, sit them down and send them away. I will defend people's right, within the laws of defamation in this State, parliamentary privilege and other restrictions, to say what they wish. There have been criticisms of the Royal Commission and the commissioners and its processes and findings by the member for Eyre, Hon Phillip Pendal, Hon Peter Foss and my brother and by the President of the upper House, Hon Clive Griffiths on its procedures. There have also been criticisms by John Samuels and Martin Saxon. For heaven's sake, we must have a little honesty in this debate. I said very clearly that as far as I was concerned the findings of the Royal Commission must stand for everyone to examine and they represent the best efforts of those involved. I say the same thing to my brother and to Mr Grill. However, Mr Grill has the same right as every member of Parliament and of the public to examine the Royal Commission and its findings and to demur and dissent. On the day that any member of this Parliament is not entitled to express a point of view of that kind our democracy has failed.

ENVIRONMENTAL AUDIT OF THE NORTH EAST CORRIDOR - TABLING

412. Dr ALEXANDER to the Minister for Planning:

In order that the community is better able to comment on pending decisions on urban development in the Swan Valley and Ellenbrook, will the Minister table the environmental audit of the north east corridor? If not, why not?

Mr D.L. SMITH replied:

In order to ensure that proper consultation took place with local residents in the north eastern suburbs, the Department of Planning and Urban Development, in conjunction with the Shire of Swan, set up a consultative committee with representatives from each of the districts in the Swan Valley to provide advice on what urbanisation, if any, should take place in the Swan Valley. That committee was recently given the opportunity of meeting the people who prepared the environmental audit for the north east corridor and, I understand, was given a fairly full briefing on the contents of that audit. The audit was prepared as one of the documents on which decisions are made in relation to the planning of the various corridors. Generally speaking, they are internal working documents used for identifying those areas which are environmentally sensitive to ensure that they are taken into account in consideration of any development proposal, in this case, by the Department of Planning and Urban Development. In this case, the Department of Planning and Urban Development officers on their own initiative chose to meet the community group and to provide it with the opportunity of discussing the contents of that report with its authors.

GNURAREN ABORIGINAL COMMUNITY - FUNDING INQUIRY

413. Mr BLAIKIE to the Premier:

Following a letter sent to the Premier on 20 August 1992 from the Kaatanyiny Regional Council of the Aboriginal and Torres Strait Islander Commission regarding decision No 91/80 involving the Gnuraren Aboriginal community which said the council agreed that Kaatanyiny Regional Council should write to the Premier of Western Australia, calling for a ministerial inquiry to be urgently undertaken into how and why the Gnuraren Aboriginal Association has received funding from the Aboriginal Affairs Planning Association and the Department for Community Services when they have not held an annual general meeting for at least three years and, further, all information held by the ATSIC staff be passed to the Premier to facilitate the inquiry and that the Kaatanyiny Regional Council be informed of the outcomes as soon as possible: As the Gnuraren Aboriginal community has featured in the Lake Jasper project, has the Premier instituted an inquiry? If so, when, and with what result? If not, why not?

Mr Pearce: I bet you wrote that.

Dr LAWRENCE replied:

It did not seem to flow in a way that is consistent with the member being the author. Nonetheless, the member has raised a serious matter. I cannot confirm whether that letter has been received by me. Certainly, it would have been referred to other Ministers for advice and, as ATSIC is involved, to a Federal Minister. I will happily take the question on notice and reply appropriately. In a matter like that which is not strictly my responsibility, it would almost certainly have been immediately sent to the responsible Minister.

Mr Blaikie: The letter was addressed directly to you.

Dr LAWRENCE: It does not follow that the writer would receive the first reply from the Premier. Letters are often referred for advice and sometimes direct replies from the Ministers responsible. I quite often sign letters which say, "This is a matter which is the responsibility of the Minister for x or y; the matter has been referred for his or her immediate attention and he or she will reply in due course." The response may have been of that kind or the matter may still be under investigation in which case there would not have been a reply. However, a question with that detail should have been put on notice. The member will then receive a proper answer in the proper way.

ROYAL COMMISSION INTO COMMERCIAL ACTIVITIES OF GOVERNMENT AND OTHER MATTERS REPORT - SUSPENSION OF MEMBERS' ENTITLEMENTS

414. Mr TRENORDEN to the Premier:

- (1) Did the Premier find out whether she had the power to direct the suspension of superannuation payments and other benefits to certain members of Parliament and former members of Parliament before she announced she would be suspending the payments to MPs and former MPs identified by the Royal Commissioners as having acted improperly?
- (2) Given that the Premier now knows she never had the power to do what she said she was going to do about those disgraced MPs and former MPs, will she commit the Government to supporting the legislation that I have had on the Notice Paper for two years to achieve that specific purpose?

Dr LAWRENCE replied:

(1)-(2)

I think the member for Avon knows he does not enjoy the support not only of the Government on that proposition but also other members of the House. In my statements in Parliament and in my public statements I at no time referred to superannuation payments. I talked about members' entitlements and benefits.

Mr Lewis: You gave a perception -

Dr LAWRENCE: Not at all. I quite specifically excluded superannuation benefits because they are the subject of an Act of Parliament and not within anyone's individual purview. I made a strong recommendation to the Salaries and Allowances Tribunal after advice that it could suspend benefits. It has since indicated to me that it does not believe, on legal advice, that it has the power; in any case, it would be reluctant to exercise it, so a legislative requirement may need to be implemented. Nonetheless, the entitlements that are under my power have been suspended and in some cases material recovered from former Premiers. I stand by that commitment and I will seek to ensure that the recommendation that I made to the tribunal, which it does not believe it can implement without legislative amendment at this stage, is further explored as quickly as possible so that the Parliament can resolve the matter.

LEADER'S ACCOUNT - DONATION TO FORMER MEMBER FOR SUBIACO

415. Mr SHAVE to the Premier:

- (1) Did the Premier receive any funds from Brian Burke's leader's account for her 1986 election campaign for the seat of Subiaco?

(2) If so, how much did she receive?

Dr LAWRENCE replied:

(1)-(2)

I do not believe this matter falls within my ministerial responsibilities. However, it is not a secret because it has been the subject of a public announcement and I think the answer to a question in this place on a previous occasion or, if not, certainly in debate. It subsequently emerged - I was not aware at the time - that a donation that was made to my account of approximately \$1 000 - I cannot without checking it be certain of that - during the 1986 campaign which came from Mr Burke may have come from the leader's account. I have not confirmed whether it is true that it came from the leader's account. However, it came to me as a donation from Brian Burke and that was made clear in this Parliament two and a half years ago. Therefore, to seek to make any capital from it at this stage is simply -

Mr Omodei: Will you give it back?

Dr LAWRENCE: What suggestion is the member making?

Mr Omodei: It belongs to the taxpayers.

Dr LAWRENCE: Why would it be given back to the taxpayers? It did not belong to the taxpayers. In that one case where the commission indicated that, in a joint venture under the Anchorage deal, the Parry Corporation made a donation to the Labor Party, half of which came from the Superannuation Board fund, those funds were not only committed by me to be repaid, but also were repaid. The interesting thing about all of this is that the Opposition remains reluctant to seriously commit itself to the disclosure of political donations although I note today that, after a very rambling speech in which the Leader of the Opposition meant to get his 12 points for exposure to the media, it could only be determined by reading the media statement. In the Parliament it was not clear whether the Leader of the Opposition would support the disclosure of political donations. Having had a look at the media report, I think I am confident that the Liberal Party will support disclosure of political donations. If members opposite were really serious about it, they would be informing potential donors that they are required to disclose and they would be quite happy to provide information in Parliament right now if necessary about how it funded its recent advertising campaign. Where did that money come from? This time last year it was clear that the Liberal Party was broke. Suddenly it has enough money to run an expensive advertising campaign. It is quite clear that donations are being made to the Liberal Party. I hope that in due course it will be prepared to disclose where those donations came from, as is the Labor Party and as all of our candidates and donors are being told they must, and that we will not see a repeat of Mr Hassell's letter which complains about the fact that funds have dried up because of the possibility of the disclosure of donations. It is not a very nice attitude and is one that I hope the Leader of the Opposition will disown.
