

Legislative Council

Tuesday, 10 July 1990

THE PRESIDENT (Hon Clive Griffiths) took the Chair at 3.30 pm, and read prayers.

BILLS (2) - ASSENT

Message from the Governor received and read notifying assent to the following Bills -

1. Supply Bill
2. Treasurer's Advance Authorisation Bill

ACTS AMENDMENT (CONTRIBUTIONS TO LEGAL AID FUNDING) BILL

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Attorney General), and transmitted to the Assembly.

IRON ORE (HAMERSLEY RANGE) AGREEMENT AMENDMENT BILL

Second Reading

Debate resumed from 3 July.

HON N.F. MOORE (Mining and Pastoral) [3.39 pm]: This amendment to the Iron Ore (Hamersley Range) Agreement Act has been brought about for two purposes: Firstly, to change the royalty provisions in the agreement and, secondly, to provide the opportunity for Hamersley Iron Pty Ltd to develop a new mine near Tom Price. In fact, the Bill amends the agreement between the Government and Hamersley Iron.

In respect of the royalties, I am advised that the change to the agreement rationalises a number of anomalies that have existed for some period and changes the royalty rates to bring them more up to date. I am told by representatives of Hamersley Iron that they accept the changes to that part of the agreement.

The second and probably most important part of the Bill provides for the development of a new mine near Tom Price, named the Brockman No 2 detrital deposit. The mine is located north west of Tom Price and is expected to produce approximately three million tonnes of lump iron ore per annum. The purpose of the operation is to add to the existing production at Tom Price and Paraburdoo and to provide Hamersley Iron Pty Ltd with additional production of lump iron ore.

A significant demand for lump iron ore exists presently, providing an opportunity for the company to move into a bullish iron ore market. Having spent some time in Tom Price, and having seen the great benefits that the iron ore industry has brought to Western Australia, I am pleased that Hamersley Iron is now expanding to develop the Brockman No 2 deposit. Members would know that Hamersley Iron has a mine at Tom Price, another at Paraburdoo and a new but smaller mine just south of Paraburdoo. This is an indication of increased production by one of our major iron ore companies and export earners. The extra three million tonnes is not an insignificant amount. It is quite a large mine and the ore will be railed by spur line from the Brockman deposit to the Tom Price-Dampier railway line.

The company is still considering the way in which it will develop this deposit; whether it will engage a contractor to do the mining, crushing and railing of the ore or use its own work force from Tom Price. It has been suggested that the company may use the fly-in-fly-out option, one which has been used more and more by mining companies in Western Australia in recent years. I am one of those who oppose this option. Unfortunately, we have seen a tendency for companies to use the fly-in-fly-out approach in the Murchison and the goldfields in recent times. They fly employees into the minesite for a week or two and then fly them out for a similar period. During their time at the minesite the employees live in single men's or other accommodation and usually do not become involved with the local community.

Prior to the fly-in-fly-out option, mining companies set up mining towns and settlements throughout the outback of Western Australia. For some unknown reason, most of our minerals are located in remote parts of the State. It is due to the mining industry that those areas of our State have been settled and developed. The fly-in-fly-out option does nothing for remote areas and simply means that people come and go without any real commitment or feeling of belonging to the outback of the State. I hope that the development of the Brockman deposit will not involve that option but will involve the development of a new settlement or an increase in the size of Tom Price.

The iron ore industry is facing a bullish future. At present, world demand for iron ore is made obvious by the decision by Hamersley Iron to increase its output. This means that Western Australia is well placed to take advantage of future demands from the steel industry throughout the world. I hope that means that this is but the beginning of a number of new operations in the iron ore province of Western Australia. I hope that in the near future we will see the development of more major mines and perhaps of another mine of the magnitude of Mt Tom Price, Paraburdoo or the Newman deposit at Mt Whaleback. This sort of development is of extreme importance to this State when one considers current economic circumstances. Any industry which we can get off the ground and which involves export earnings is something we need desperately.

I support the Bill and congratulate Hamersley Iron for progressing further with the mining of iron ore in this State and hope that this is the beginning of many of these sorts of amendments to its agreement Bill.

Question put and passed.

Bill read a second time.

Committee and Report

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

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Minister for Resources), and transmitted to the Assembly.

STATE EMPLOYMENT AND SKILLS DEVELOPMENT AUTHORITY BILL

Second Reading

Debate resumed from 4 July.

HON N.F. MOORE (Mining and Pastoral) [3.47 pm]: I find it unsatisfactory that a Bill of this magnitude is to be dealt with in this way. I remember only too well the residential tenancies legislation which we dealt with in this House some years ago, I think on Christmas eve. It involved about 86 amendments to 89 clauses. On that occasion the Government obviously decided to put pressure on the Opposition to get its legislation through in a hurry. This Bill was introduced into the House late last week and we are now expected to debate it and come to our conclusions this week.

I acknowledge that the SESDA legislation has been around for a long time. I remind the Minister who suggested we should hurry with it that a number of amendments moved in the other place caused a number of important changes to the Bill. I have spent a considerable time during the past few days endeavouring to come to terms with those changes and what the Bill actually does now, while at the same time considering whether compromises can be reached to keep some of the warring factions happy and have the Bill passed in a form acceptable to most parties.

I guess that one can determine the Government's enthusiasm or otherwise for a Bill by looking at the size of the Minister's second reading speech. On this occasion the speech is thicker than the Bill, which is a rare happening, so the Government has gone to some trouble with it.

Hon Kay Hallahan: It has wider spacing.

Hon N.F. MOORE: That was because the Minister needed larger print to read it.

Hon Kay Hallahan: That is no reflection on my age, of course?

Hon N.F. MOORE: No.

The PRESIDENT: Order!

Hon N.F. MOORE: This is obviously a Bill the Government introduced with some enthusiasm. When we look at what the Bill contains, at the hidden agendas and at the general reason for its introduction, we can see why the Government is so enthusiastic about it. This Bill represents a fundamental aspect of the Labor Party's philosophical attitude to the way in which administration should take place in this State; that is, that a tripartite approach to administration will be of benefit to the community. I have always believed that there is some room for a tripartite approach to industrial relations but the Government has a much wider view about where the tripartite system ought to operate and sees unions playing a role in areas where I do not believe they should play a role. The SESDA Bill provides an opportunity for unions to become involved in a range of activities in which they have not previously been involved. I will refer to that later when I discuss the various aspects of this Bill.

I ask the Minister at this stage, so that she will be able to respond to me in her reply, what does she see as being the importance to the Bill of the phrase "labour market service"? Labor market service is defined in the Bill but I would be interested to know what it will mean in reality. That aspect of the Bill causes me considerable concern because it may provide a mechanism for the trade union movement to become involved in a range of areas in which I do not believe it was ever intended to become involved when the proposal to establish a training authority was first mooted. I hope the Minister will give me an indication of how important that is to the Bill so I will be able to consider whether we should take that out of the Bill altogether and concentrate the attention of the Bill simply on training matters, which is what I believe the Bill was intended to be all about in the first place.

A parallel can be drawn between tripartism and corporatism. It is interesting that Sweden was one of the countries visited by the tripartite mission. It was my view at the time, and I am not sure whether it still applies, that the Labor Government of the day was having a love affair with the Swedish system.

Hon Kay Hallahan: Sweden was leading the way in a number of important social reforms. Would you have wanted us to ignore that?

Hon N.F. MOORE: Yes, if Sweden was leading us in a direction in which we would not want to be led. For a period of time we saw Mr Dowding, the then Minister for Labour, Productivity and Employment, his Federal counterpart, and a number of union and business people trotting off to Sweden to observe how the Swedish system was operating. It tied in very nicely with the sort of democratic socialist approach of the Labor Party to follow a country like Sweden, which has a system of Government that I believe the Labor Party would like to emulate; that is, where the unions and the Government are virtually indistinguishable and where everything is done on a tripartite basis involving the Government, unions and employers. Those positions are entrenched, and of course with the Government and the unions being virtually indistinguishable they are able to control almost every aspect of life in Sweden. This Bill reflects but a part of that process. In Sweden there are Acts which relate to a range of issues where tripartite decision-making is the order of the day; issues which have no relevance to the union movement whatsoever.

Hon T.G. Butler: You will explain that, I take it?

Hon N.F. MOORE: I would have thought that a person of the member's intellectual ability would be able to understand that.

Hon T.G. Butler: I can understand what you are saying but I cannot understand its relevance.

Hon N.F. MOORE: I see this Bill, with its tripartite structures, as part of a corporatist attitude towards Government administration which is similar to the system that exists in Sweden. In Sweden the unions are involved in a far greater range of activities than occurs in Australia, but I see this Bill as but one aspect of the Government's intention to involve the union movement, on a tripartite basis, in a range of matters other than industrial relations. This Bill will not only give the union movement a very direct involvement in training but also in issues which are defined as labour market services.

Hon Sam Piantadosi: Is it their participation in training that you are concerned about?

Hon N.F. MOORE: I do not mind their having an involvement in training but I do not want them to control it. I am not interested in having a situation where the training systems in this country will be controlled by the unions. That is one of the concerns we have about the authority that this Bill is to establish.

Hon Sam Piantadosi: It is to be a tripartite committee so how could the unions have control?

Hon N.F. MOORE: This Bill germinated in the mind of those people who decided in 1987 that an overseas mission should be sent to look at a variety of things in a number of countries. I never knew who really thought of the idea of the trip, but we were told it was Mr Dowding's idea. As I was one of the members who was invited to go on the trip, I did not spend a lot of time arguing about why we should or should not go. It seemed to me that it would provide a good opportunity of finding out what was going on in other countries, and I was one of the first to commend the then Minister - and I still do - on his having the political fortitude to make that decision. I believe there should be more visits by members of Parliament to other countries, States and organisations to see how they operate. I should say, however, that while that trip was described by one of my colleagues in another place as a junket, if it was a junket then I would hate to see what hard work is because it was a very onerous trip and a lot of time was spent in talking to people about training and industrial relations matters.

Hon T.G. Butler: Hear, hear!

Hon N.F. MOORE: Hon Tom Butler had to come home early because he was worn out!

Hon Kay Hallahan: That is of comfort to those of us who did not go.

Hon N.F. MOORE: The motivation for the trip obviously came from someone who had conceived of the idea of SESDA in the first place because in a sense the report and its consequences were predetermined, but I commend the former Minister for making that decision.

Hon Barry House: It is the only good thing he did.

Hon N.F. MOORE: True. We are told in the report of the mission that Hon Peter Dowding, the then Minister, had visited Scandinavia and West Germany and had been impressed by the way in which employers and employees were able to come together on a range of issues and were able to resolve problems to their mutual benefit. It says at page 1 of the report, under the heading "Introduction; Background to the Mission", that -

In examining the workplace in Scandinavia and West Germany, the Minister had found quite different attitudes among employers and employees towards such factors as the development of human resources, the creation of competitive industries through improved productivity and the prospect of technological change in the production process.

I also formed the same view in the limited time that we had to visit West Germany, Sweden and the United Kingdom. I noticed that in Sweden and West Germany there was a different feeling about the relationship between employers and employees. I have described Sweden as a corporatist State where the unions and the Government are intertwined anyway, so because they have the power not just in respect of industrial relations but also in respect of legislation it is necessary for the employers to come alongside. In Sweden there is a plethora of legislation which requires certain things to happen because the unions and the Government, hand in hand, have decided that is what should occur. A degree of antagonism exists between employers and employees; however, employers have realised that antagonism gets them nowhere so they tend to agree with the decision-making. In West German a healthy relationship between unions and employers seems to exist. That may be a result of the personality and culture of the German people more than anything else. German people tend to endeavour to excel in all that they do. Their productive capacity and economy is progressing exceptionally well.

One of the problems I had was that I came from an environment and an economy where the "them and us" syndrome applies. That kind of attitude also exists in the United Kingdom where distrust and outright dislike, in many cases, is common between employer and employee. It is hard for me to understand that in some countries that attitude does not exist.

Problems in the Australian industrial relations system have been brought about by the importation of the British system of industrial relations. Every time I hear on the radio a union person speaking about industrial relations and listen to the accent, I understand that the problem has been imported.

Hon Max Evans: You cannot understand them sometimes.

Hon T.G. Butler: That is a racist statement.

Hon N.F. MOORE: It is a pity that this nation has imported an industrial relations system which is very similar to that which exists in the United Kingdom. It is a pity also that some people who are involved in industrial relations in Australia have come from Britain where they were fighting a class war and when in Australia they continue that war. Their motivation is not strictly concerned with industrial relations but has wider connotations.

Hon T.G. Butler: Wally Palmer would be proud of the member for saying that. He would really appreciate that remark!

Hon N.F. MOORE: The delegation visited those overseas countries and came back with a report which was comprehensive and well written. However, it contains recommendations that I do not agree with. The report recommends, on page nine, that the Minister for Labour, Productivity and Employment appoint an interim council to examine a number of things in a Western Australian context. One of these aspects is -

- (iii) the appropriate methodology for implementation and ongoing operation of an appropriate tripartite organisation with relevant representation, adequate resources and the necessary authority to effectively implement these policies.

Recommendation 2 states -

That a prime objective of the Interim Council be to consider and report in twelve months on the feasibility of the establishment of an appropriate organisation designed to develop and implement policies on these issues on a continuing basis.

That means, in reality, that as a result of the overseas mission an interim council would be established to set up a statutory authority to carry out a number of tasks for training in the Western Australian economy. This was an unfortunate response to what was a worthwhile exercise. It seemed that somehow we got our wires crossed if the ultimate result of the overseas mission, represented by 14 or 16 people, was to set up a Government statutory authority. I am dedicated to abolishing Government statutory authorities that are not doing their job; however, we see, on a trip designed to do something about training and productivity in Western Australia, the formation of a new statutory authority.

I wrote a minority report but unfortunately, in some copies of the main report, the minority report does not appear. That was due to an administrative oversight. I want to quote from the minority report so members know what I had to say. It stated at point 1.3 -

I applaud the Minister's political courage for initiating the Mission.

I was happy to publicly acknowledge the courage of the then Minister. The minority report further stated -

I agree with much of what is written in the Report, particularly in relation to training systems.

The minority report also stated -

I am unable to agree with all aspects of the Report for the following reasons:

Some of those reasons include -

- 1.8 The Major Conclusions of the Mission . . . contain statements of support and implied support for corporatist views and practices which I oppose.

Point 1.9 of the minority report stated -

The Report goes beyond the brief of the Mission and contains considerable reference to "successful" (and by inference, unsuccessful) economies.

The report contained reference to the economies in the countries the mission visited and suggested that the Swedish, West German and Norwegian economies were successful and,

by inference, that the United Kingdom's economy was not successful. Serious problems exist in the Swedish economy and the British economy is forging ahead. I stated in my minority report at 1.12 -

It is my judgement, however, that it was not the role of the Mission to make the sort of judgements it does about the economic success or otherwise of the countries visited.

The mission was to look at industrial relations and training systems in those countries and was not intended to make judgments on the success or otherwise of the economies in the countries we visited. If it was to do that the mission would have needed at least another six months to carry that out. Also it was not part of the terms of reference of the mission's inquiry to study those economies. The mission was not there long enough to judge the merits or the success of the economies in the countries we visited.

Hon Kay Hallahan: How long do you reckon that would have taken? Are you suggesting that members of the mission would have had to become expatriates to carry out its recommendations?

Hon N.F. MOORE: The report should not have made those references. The report was glowing in its support of the Swedish economy when, as is stated in a considerable volume of literature, the Swedish economy has serious problems. The report also stated that the British economy has serious problems when in fact many people would argue that it does not have serious problems at all.

I was also under the impression that the mission went on a predetermined path. It went to places and talked to people who would give it the answers that the organisers of the trip wanted to receive. Item 1.17 of the minority report states -

It is my view that the Mission should have examined, in some detail, the system of industrial relations and training that currently exist in Western Australia.

It seemed to me that the mission would have been better placed to write a report if it had studied the Western Australian system in some detail and then made a comparison with the systems overseas. The mission only visited one or two places in Western Australia and no time was set aside after the trip to look at what is going on in the State. That was one of the major drawbacks of the report. The minority report states at 1.18 -

I do not agree with that aspect of the Report which recommends, as its major initiative, the formation of an Interim Council, which has as its main objective research into the feasibility of a permanent Tripartite Board.

Point 1.19 states -

The Recommendations of the Report direct the thinking of the Interim Council to the ultimate objective of the Report which is the formation of a new Government funded Board.

I invite members to note the foresight of the recommendations at 1.20 when considering the State Employment and Skills Development Authority Bill. Point 1.20 states -

The Recommendations also reflect the corporatist view that only "peak" organizations should be represented on the Interim Council.

Needless to say, such a Council is likely to recommend that the ultimate Tripartite Board consist of representatives of the Trades and Labour Council, the Confederation of W.A. Industry and the Government. This would ignore the legitimate contribution that could be made in the fields of industrial relations and training by other groups in the community.

My suggestion in item 1.20 of my minority report has come true in the sense that an authority is now being set up which is tripartite, virtually exactly as I predicted in that recommendation.

Hon T.G. Butler: Not exactly as you predicted.

Hon N.F. MOORE: Well, virtually.

Hon T.G. Butler: Not even virtually.

Hon N.F. MOORE: Has Hon Tom Butler not seen what the structure of the authority will be?

Hon T.G. Butler: Yes, of course I have.

Hon N.F. MOORE: The authority is to consist of representatives of employers and employees and ensures representation by the Confederation of Western Australian Industry and the Trades and Labor Council. In fact, it suggests that the TLC should get all the spots in respect of the employees.

Hon T.G. Butler: That is not what you said in your minority report.

Hon N.F. MOORE: I suggested that the board would consist of representatives of the Trades and Labor Council, the Confederation of Western Australian Industry and the Government, and that is what it is.

Hon T.G. Butler: No, it is not.

Hon N.F. MOORE: There might be a few minor variations around the edges, but that is essentially what it is; it was obvious at the time that we were intended to come up with that proposition and now we have it in the form of the State Employment and Skills Development Authority Bill.

The State Employment and Skills Development Authority, which is what is being set up by this Bill, has a structure which has been described very adequately in the second reading speech by the Minister; but very briefly, at the industry level we will have the industry employment and training councils, or IETCs as they are called, which will be set up under the legislation. The legislation is not very prescriptive as to how they should be set up, which is quite a good thing as it leaves a degree of flexibility. These councils will be set up at industry level; 19 have been suggested so far and there will be additional councils after that. Each council will represent an industry and will put together a range of training priorities for that industry. It will look at the needs, the shortcomings and the future requirements of training within the industry and make recommendations as to how they can be improved. The IETCs will consist of employers, employees and the Government. Again, we have a tripartite system of operation in respect of these councils.

There will also be a board called the Skills Standards and Accreditation Board, which has been described as the quality control body of the outfit. That is what it does - it is responsible for setting standards and giving accreditation for training courses. The members of the board must have expertise in skills formation. They must be people who have technical expertise so that they can provide the technical knowledge that the board will require in order to make the sort of judgments it has to make about accreditation and standards. The decisions it will make will be basically of a technical nature. Again, it is a tripartite board and it is proposed that, like the authority, it consist of persons representing employers and the Trades and Labor Council representing the employees.

I find it interesting - and I will talk about this more in the Committee stage - that the TLC believes it should have a mortgage on all employee representation on these boards and on the authority itself. That would suggest to us that the TLC believes it is the sole organisation to make comment on behalf of employees. I am told that the number of employees who are in fact affiliated with the TLC ranges from between 35 per cent - as the Minister admitted on one occasion - to about 52 per cent - as the TLC tells me now. The bottom line is that, if we accept the TLC's argument, about half of all employees are not affiliated with the TLC; yet the TLC believes it should have a mortgage on employee representation on the authority and the board to be set up under this legislation.

It is interesting that in the second reading speech the Minister said this - and I must quote it because I wrote alongside it the word "joke" when the Minister read it out, because it is a joke -

In particular, the Trades and Labor Council will need to give consideration to unions that are not affiliated and also have regard for employees who are not members of a union.

Hon T.G. Butler: They do that now.

Hon N.F. MOORE: The Minister said, "... and also have regard for employees who are not

members of a union." With some of the unions we have had in Australia over the years, their only consideration for workers who are not members of the union is that they should have a broken leg or something. The intimidation and the standover tactics that have taken place in Australia, and in Western Australia in particular, over the years by unions trying to force employees to become members of the union demonstrates to me that those unions have no consideration whatsoever for the wellbeing or otherwise of employees who are not members of unions.

Hon T.G. Butler: That is rubbish.

Hon N.F. MOORE: They could not care less. They believe all workers should become members of unions, and they stand over them to ensure that they do.

Hon E.J. Charlton: It is happening on every site you see when you walk down the Terrace.

Hon T.G. Butler: You just don't understand, that is your problem.

Hon N.F. MOORE: That is right - "No ticket, no start". If a person does not join the union he does not get a job. I understand what unions are about, just as Hon Tom Butler does.

Hon T.G. Butler: I doubt that you do.

Hon N.F. MOORE: I want to make one point very clear to Hon Tom Butler, and he should learn this; that is, 50 per cent of the employees in Western Australia do not, by their own choice, belong to unions. That is half of the work force. Half choose to belong to unions, and that is fair and reasonable.

Hon T.G. Butler: I will deal with that.

Hon N.F. MOORE: Unions should be out in the marketplace, like everybody else. If people want to belong to unions that should be their choice, but if they do not that should also be their choice. Hon Tom Butler would like it, and so would his party, if everybody had to be a member of a union, in every circumstance; but people do not want that. If unions offered what people wanted they would join automatically; but unions do not, and that is why people do not join voluntarily.

Hon T.G. Butler: They want award conditions.

Hon N.F. MOORE: But the people who pay the salaries are the people who do the employing, not the unions. Hon Tom Butler cannot claim that if someone gets paid \$500 a week it is something to do with the unions. That money comes out of the pocket of the employer. The problem Hon Tom Butler and his colleagues have is that, because they have this fundamental view that everybody should be a member of a union, when it comes to representing employees they believe the TLC should have total control over that view. That is not a view I accept, and when we reach the Committee stage I will move some amendments to take away the total control by the TLC in respect of employee representation.

Hon Sam Piantadosi: You do not have a clue about industrial relations, do you?

Hon N.F. MOORE: Is it not extraordinary! I just made a statement, which I will repeat for the benefit of Hon Sam Piantadosi because he obviously is hard of hearing: Fifty per cent of the employees in Western Australia are not members of unions.

Hon Sam Piantadosi: But they still want the award rates, as Hon Tom Butler said, and they want it on the cheap.

Hon N.F. MOORE: That has nothing to do with it. If we had a system of collective bargaining or people making their own arrangements with their employers, many people would probably do better than the award; but the point I am making with respect to the tripartite authority is that the TLC demands that it have total representation from the employees' side of things, and it is prepared to ignore totally the proposition that half of the employees in Western Australia do not belong to unions and that because they do not belong to unions they do not subscribe to the views the TLC might put forward on the tripartite authority.

Hon Fred McKenzie: Cannot the same thing be said about businesses? They do not all belong to the Confederation of Western Australian Industry.

Hon N.F. MOORE: I agree with that, too, and I will move amendments accordingly.

This brings me to the next part of the Bill, which is in fact the most important part; that is, the formation of SESDA itself - the State Employment and Skills Development Authority. The authority will be a forum for the development of training policy and strategy; it will have tripartite membership. I will argue about that at the Committee stage. The fact that the Government has introduced a Bill which gives the Trades and Labor Council total say on behalf of employees demonstrates that the Government is working on behalf of the TLC on this matter.

Hon T.G. Butler: It is not.

Hon N.F. MOORE: It is one and the same outfit; it is the Swedish system -

Hon Kay Hallahan: Is this the Swedish system which provides a high standard of living for people?

Hon N.F. MOORE: I am sure the Minister will tell us all about it later on. I did not hear her; the bit I heard I did not understand.

Hon Kay Hallahan: We do not hear the things we do not want to hear.

Hon N.F. MOORE: I have always thought the role of a body such as the authority to be one of coordination, or the bringing together of parties to obtain a common view about training systems in Western Australia. I have thought of such a body as one which would do something about the serious training problems we have in this State.

As a member of the Opposition, I am prepared to support the formation of the authority. However, given different circumstances and a different time, we might have found another way to tackle these matters. The Government is the Government and we are the Opposition; unfortunately, we have to respond to the Government's actions. Probably there are other ways to do what the authority is to do but for the time being we must accept what the Government is seeking to do. I did, however, think that the main purpose of the authority was related to training matters; that is, to improving the skills of employees and subsequently to increase the productivity of industry in Western Australia to enable us to compete in a positive way in the world markets.

Hon Kay Hallahan: Hear, hear!

Hon N.F. MOORE: That is what the authority is fundamentally; yet, as I said at the beginning, the legislation contains a reference to labour market services which makes me think the authority will have a social or welfare role as well. When one considers the definition of labour market services one comes to the view that the Government may have a hidden agenda, that the authority may have a much wider range of activities than those I describe - that is, the fundamental improvement of the skill level of employees in Western Australia which would lead to a fundamental improvement in productivity of Western Australian industry.

In my view, which has been obtained through being part of the overseas mission and from taking an interest in education and training for a long time, Western Australia must do something about training; indeed Australia must do something about training. I say that because Australia is not successful in many ways in the international market. Considering the successful economies around the world such as Sweden, West Germany, Japan, the United States of America to a lesser extent, Singapore -

Hon Tom Helm: Taiwan, and South Korea!

Hon N.F. MOORE: South Korea is interesting. I keep seeing photographs in newspapers where unionists are fired at, hit with batons, and tear gassed. If that is an example of fundamental tripartite agreement, I hate to think what we have in Western Australia. One cannot say that the South Korean economy works well because of tripartite arrangements between employers, Government and unions.

Hon Tom Helm: They are well trained.

Hon N.F. MOORE: In a different way. That goes to show that we do not need to have a tripartite system to get proper training.

Hon Tom Helm: I did not say proper training; that is another question altogether.

Hon N.F. MOORE: The member mentioned South Korea; I did not.

I return to the Swedish economy because we were directed to look at Sweden. Considering the natural resources that Sweden has, its economy is a considerable achievement for a country with a small population. Sweden has very few natural resources; its major resource is a highly trained and highly skilled work force. Due to that country's tripartite system of Government, more and more legislation is being brought in to look after the social welfare side of Swedish society. That is the reason I worry about this labour market service business contained in the legislation under debate.

In Sweden, more and more legislation is imposing increasing burdens on the economy to look after social issues. We have been told about Sweden's superannuation deal and how much that will cost its industry, and about the working conditions and so on. While it appeared to me and to others that the Swedish economy was moving very well, which enabled it to compete on international markets, and that it was a country with very limited resources, it also appeared that some chinks were beginning to appear in that economy, and that the burdens of social welfare were becoming too great. One matter that struck me very much was the situation at the Volvo factory at Goteborg. We were told that the number of Volvo employees was declining, and that the latest model Volvo car was being produced in Italy. There must be good reason for that; obviously the reduction in the number of employees and the decision to manufacture Volvo cars in other countries was brought about by the overwhelming demands on the resources of the welfare state.

Hon Tom Helm: Maybe pressure was placed on Volvo to build in Italy.

Hon N.F. MOORE: That may be the case. No doubt if the cars could be produced cheaper in Sweden the company would do so.

The mission also visited a company called Asea-Brown Boveri, which produces a range of goods including locomotives and rolling stock for railways. That company was building the Calcutta underground railway, as well as producing the carriages and rolling stock in Calcutta - not in Sweden - because of the labour market component; that is, the cost of labour in Sweden versus the cost in India. The Swedish economy is being overburdened by the sorts of things which labour market services might mean. The development of work practices in Sweden also are a considerable burden on companies which in the past have been extremely successful.

The thought has crossed my mind that, when we considered other economies to see what we could do about improving productivity in Australia, we should not have looked only at training. Training is a vital ingredient in improving productivity; if we have a highly skilled work force we can produce goods and services which are in demand at a competitive price. On the other hand, we have to consider other problems in the economy; that is, those problems which appear in Sweden and which have been obvious in Australia since the introduction of a centralised system of wage determination and inflexible work practices.

To improve productivity in Australia we cannot rely only on improving the skill level of employees; something has to be done about work practices, the inflexible industrial relations system and the entrenched, inflexible centralised wage fixing system. We will not get a lot out of this Bill to increase productivity until the Government is prepared to make some hard decisions about restrictive work practices in our economy. The Federal Government realises that has to happen; it makes a song and dance these days about micro-economic reform. The Federal Government even has Ministers whose jobs are to do something about the waterfront, or land, sea, and rail transport, or to try to get rid of the inflexibility which makes our economy non-competitive. Those Ministers have not done much. They do a lot of talking. All we see these days is that fellow from Canberra who is in charge of road transport making threats to the States about what will happen if State Governments do not legislate to reduce the number of passengers in cars. This is quite absurd considering the magnitude of the problem. We must do something about the waterfront, the cost of transport and the monopoly of our rail system; I am sure that Hon Fred McKenzie would agree that we must move more goods by rail in a competitive way.

Hon T.G. Butler: Do you not believe that the tripartite system will assist with that?

Hon N.F. MOORE: If it would achieve that goal, I would support it. The Bill before the House is designed to improve training, but unless something is done with these other aspects it will not matter how well trained the work force is because we will still not be competitive.

We have a disadvantage in that we are thousands of miles from the major overseas markets. We have a small local market and we cannot become involved in manufacturing unless we sell our goods overseas. Sweden has the advantage of being next door to the huge European market. In order to compete with Sweden in the production of white goods, for example, we must produce our goods at a price at which we can export them to the European market, and other markets of the world, and at a price which is cheaper than that offered by countries, such as Sweden, operating alongside the markets. Many other aspects must be considered as well as training. Unless the Government is prepared to bite the bullet and do something about micro-economic reform, training programs will come to nothing.

Much of what I wanted to say about this Bill will be discussed during the Committee stage, so I will limit my remarks. Members will recall that this Bill came before this House during the last session. It was debated in the other place in the dying hours of the previous session and was sent to this House. The second reading speech took place, the debate was adjourned and it progressed no further. Since that time a considerable amount of consultation has taken place which should have occurred before the Bill reached that stage. As a result, a number of amendments have been agreed to by the Minister which have satisfied a number of people in industry who were quite rightly concerned about the original SESDA proposal. The Bill has now been brought back and has passed through the Legislative Assembly.

I found it interesting to receive from my leader, Hon George Cash, a number of letters sent to him by industry groups expressing their support for the passage of the SESDA legislation. I wondered why that would happen, bearing in mind that people from various bodies do not usually spontaneously send in letters couched in similar words when a Bill is before the House. Normally different letters are received at different times and are expressed in different language discussing different aspects. However, in this case a range of letters were received from different organisations all virtually saying the same thing. A letter was received from the WA Forest Industries Training Council (Inc), which was expressed in the following terms -

Dear Sir,

SESDA LEGISLATION

We have been requested by the SESDA secretariat to let you know that our Council supports the SESDA concept and the amended Bill.

Hon T.G. Butler: What is wrong with that?

Hon Derrick Tomlinson: You are joking, are you not, Mr Butler; it is politicising the Public Service.

Hon N.F. MOORE: I did not say that anything is wrong with it. I will tell Hon Tom Butler why I read out the letter: Obviously, as this Bill has found its way to this House, the SESDA secretariat - comprising public servants who should not exist yet - has requested these letters. When one finds the SESDA telephone number in the telephone book and calls SESDA, the person answering the telephone does so in the name of SESDA. How can they do so when SESDA does not exist? The SESDA secretariat exists in the telephone book, yet it has not been approved by Parliament; also, it has spent money - some say half a million dollars - to do things when it does not exist. I hope the Minister will explain this.

Hon Kay Hallahan: You want an explanation?

Hon N.F. MOORE: I would hope so! This is an important point for one fundamental reason: Statutory authorities do not exist until Parliament has given approval, and to do otherwise ignores the fundamental aspects of the Westminster system.

Hon E.J. Charlton: We cannot have Parliament interfering with Government!

Hon N.F. MOORE: Indeed.

Hon George Cash: Who do you think the Minister will be seeking advice from?

Hon N.F. MOORE: No doubt it will be from the SESDA secretariat, especially when we reach the Committee stage. I wonder who is paying the salaries.

Hon Kay Hallahan: You can bet your bottom dollar that the salary is real and not a phantom one as you suggest.

Hon N.F. MOORE: I am sure that it is a handsome salary.

Hon T.G. Butler: They work very hard.

Hon Kay Hallahan: Have you heard of the Department of Employment and Training?

Hon N.F. MOORE: I have. When I rang the SESDA number, if the person had said, "This is the Department of Employment and Training", I would have thought that a mistake had occurred in the telephone book in that someone had pre-empted the establishment of SESDA when the Bill was introduced last year. However, when the person answered in the name of SESDA, I thought that somebody must have told that person that he or she belonged to a department which does not exist. I have no doubt that the person who will advise the Minister will be an employee of the Department of Employment and Training.

Hon Kay Hallahan: Where else would I seek advice?

Hon N.F. MOORE: If persons are parading themselves in the community as part of the SESDA secretariat, we need to know what that organisation is; is it a subcommittee or subdepartment of the Department of Employment and Training?

Hon Kay Hallahan: You were right first time!

Hon N.F. MOORE: The Minister should tell that girl on the telephone about that.

Hon Kay Hallahan: Was she a girl? I bet she was a young woman.

Hon N.F. MOORE: The female should have answered the telephone in the name of the Department of Employment and Training.

Hon E.J. Charlton: The department of petticoat Government!

Hon N.F. MOORE: The letters to which I have referred represent a fundamental problem in that an impression has been created in the community, either by the SESDA secretariat, the Government or others, that the Opposition is opposed to the legislation. We have never opposed the SESDA legislation. We have sought to amend it, but we have never opposed the concept of an authority involved with training in Western Australia. For anybody to suggest that we have, and to go around to all the industry groups to suggest that they should write to the Leader of the Opposition in the Legislative Council because the Opposition opposed the legislation, is quite incorrect.

Hon George Cash: Who paid for the stamps?

Hon N.F. MOORE: It should not have happened like that at all. We have not indicated any opposition to SESDA at all.

Hon Kay Hallahan: Do you want it to work? One of your colleagues is nodding his head in the affirmative.

Hon N.F. MOORE: I would not be supporting something that I did not want to work! If the Government expects the authority to be a mirror image of the authority proposed in the legislation, it may have trouble because the legislation ultimately passed will be different from that introduced - amendments will be required. A number of amendments have been circulated by the Liberal and National Parties which will be considered during the Committee stage.

In conclusion, we clearly support the Bill. We support a significant improvement in training in Western Australia and we support the need for people to have better skills. We support the need for industry to be far more productive, and we accept that an improvement in skills formation will improve productivity. The Liberal Party does not agree that the system the Government is putting in place is necessarily the best one; a range of options are available. We are endeavouring to make the authority, the board and the industry employment and training councils better by improving the drafting, and by proposing amendments which will improve their performance. The Liberal Party's motivation is to improve the Bill so that it achieves its purposes in a way which will be an improvement on what the Government has proposed. That is our position, which has always been the same. We have talked to a wide variety of groups to obtain their views. In another place the Minister was asking, "Who are you representing?" I am representing my own views.

Hon Kay Hallahan: That is a luxury.

Hon N.F. MOORE: I am not representing the views of the WA Chamber of Commerce and Industry -

Hon T.G. Butler: Or the north west region?

Hon N.F. MOORE: - the Trades and Labor Council, or the Amalgamated Metal Workers Union. I am here to make my own decisions about legislation based on my own views. The best way to make sure one's views are correct is to ask people what they think.

The Chamber of Mines and Energy of WA put an enormous amount of work into its review of the Bill. It is a pity that all other industry groups do not do the same with other pieces of legislation as we would be better informed. One of the problems of Opposition - the Minister will not be aware of this because she has not been in Opposition - is that members cannot ring up a Government department like the Crown Law Department or the SESDA secretariat for advice and have it forthcoming immediately. Opposition members have to get advice as best they can and if an organisation offers advice they grab it with open arms.

Hon Kay Hallahan: If I could find the Opposition other advice would it help Hon Norman Moore?

Hon N.F. MOORE: I hope that as we discuss amendments in a sensible and even-handed way the Minister will explain to the House any advice she has obtained, and if it is good advice the Opposition will take it into account. Except for the occasions on which the Government does so, members do not come into this place with any hard and fast stance, and the Opposition is always happy to compromise.

Hon Kay Hallahan: That is very heartening to the quality of debate in this place.

Hon N.F. MOORE: The Liberal Party has sought the advice of industry, the TLC and a range of people on this Bill. It supports the objectives of the Bill, which are long overdue and which should be put into practice as soon as possible. The Opposition also believes that it has an obligation to ensure that the legislation is as good as it can be. While we support the second reading we will be looking to making some major amendments in the Committee stage.

HON E.J. CHARLTON (Agricultural) [4.42 pm]: The National Party supports totally the proposals of the SESDA legislation. Our discussions have also been wide ranging and we have spoken to a number of people in the workplace, both employer or employee orientated, who have been unanimous in the view that this legislation is badly needed. They have expressed varying degrees of support for the implementation of this legislation and said it was important to ensure that the Government got it right this time. I agree with the comments made by Hon Norman Moore, who covered the whole spectrum of concerns which have been put to us by employer and employee groups.

A concern which has been raised is that if industry does not accept what the Government has put in front of it, it will cop something far worse from the Federal Government. While I do not doubt for a moment that that is more than a possibility, it will be a sad day if this State bows down to threats made by the Federal Government. As far as the National Party is concerned it will not allow its decision on this question to be influenced by threats from the Federal Government. The Federal Government has another thing coming if it wants to step in with a big, heavy foot as it has done on many occasions. The people of Western Australia will not cop that sort of proposition, and the National Party will not be influenced on this legislation or any other legislation.

Federal Government intervention in legislation has grown out of all proportions in recent times and it must be stopped. Hardly a piece of legislation comes into this place that has not had some degree of Federal intervention associated with it. In almost every aspect of society the tactic of the Federal Government is to attach strings to its funding. This even applies to areas where it has no control such as the transport system, policing and companies - the list goes on. The Federal Government is saying, "Cop this or else." We saw Federal Government intervention in the proposed amalgamation of the University of Western Australia and Murdoch University. Last year it was decided not to agree to the amalgamation of those universities and it is about time that a few more decisions like that one were made. Murdoch University has not closed its doors; quite the contrary, it is still in existence and the Minister for Education has announced that there will be another university - which is great.

The Federal Government is trying to frighten people into accepting this legislation by stating that it will introduce some deal of its own which will change the game to allow what is currently a wide diversity of organisations to continue. For the benefit of members who have not had the opportunity to read the background briefing on the State Employment and Skills Development Authority legislation I will quote from that document -

There currently exists a plethora of training advisory bodies and committees in Western Australia. These fall into three broad groups:

1. The Commonwealth Department of Employment, Education and Training portfolio consists of 14 tripartite industry training committees which are linked to their national counterparts. They exist to develop systematic training for their industries and to influence both Commonwealth and State Government policies on skill formation.
2. The State Department of Employment and Training portfolio consists of some 13 tripartite industry training advisory boards which advise the Industry Training Advisory Council on trade training matters. The Council, in turn, advises the Minister on matters affecting industry training.
3. In addition, TAFE has some 20 tripartite course advisory committees.

The National Party does not want to see either a continuation of or an increase in that sort of operation.

The mining industry has set the pace in developing its own training programs. Members will agree that Australia is in a desperate situation in respect of industry training. Whenever a new project is announced, we must bring in skilled labour from overseas because that skilled labour is not available in Australia. That brings me back to something that I harp on almost continuously in this place: The taxation system of this country removes incentives from people to seek rewards from their employment to try to improve their lifestyles. People without any skills obtain jobs that pay high salaries from the day they start their employment. When people attempt to learn a trade to become more involved in their jobs, they are penalised by the taxation system and other burdens placed upon them by the Government. Australia has moved away from making available apprenticeship schemes to young people. Those schemes contributed to making Australia what it was. That is why Australia was in such a strong economic position 20 years ago before the Federal Labor Government came to power. Labor Governments are more interested in finding out how to spend money. While Labor Governments may have some attributes for dealing with various groups in our society, they have not been able to manage the economy. Every economic disaster in this nation in the last 10 years has occurred because of a decision of a Labor Government.

Hon Tom Helm: Labor Governments have been in power for only seven years!

Hon E.J. CHARLTON: In the last 10 years we have gone from being \$30 billion in debt to \$160 billion in debt - at least that is what it was last week; I do not know what it is this week.

Hon T.G. Butler: Explain why that is.

Hon E.J. CHARLTON: It is always a funny thing -

Hon T.G. Butler: Explain it; don't talk about funny things.

Hon E.J. CHARLTON: I will explain it; it may take a while for the member to absorb it.

Hon T.G. Butler: I can hardly wait.

The PRESIDENT: Order! I can hardly wait for members to obey the Standing Orders of this place.

Hon E.J. CHARLTON: Whenever we discuss this type of legislation, we always hear interjections along the lines that the legislation must be implemented exactly as the Government outlines it should be implemented. I was saying that we cannot continue to implement decisions that time has proved do not work and I was pointing out that our economic position has deteriorated. A Government member interjected and asked me to tell him why that had happened. It has happened because he will not accept -

Hon T.G. Butler: Are we talking about the balance of payments?

Hon E.J. CHARLTON: Yes.

Hon T.G. Butler: Tell us why they are like that?

Hon E.J. CHARLTON: Because the Government has removed all incentives and competitiveness from our trading position.

Hon T.G. Butler: That was removed long before we came to Government.

Hon E.J. CHARLTON: How is it that places like West Germany and Japan which have few resources are doing so well? It is because the people work and become involved in what they do.

Hon T.G. Butler interjected.

The PRESIDENT: Order! Hon Tom Butler will stop interjecting, please.

Hon E.J. CHARLTON: Improving the lot of the people of this nation must involve a training scheme for the work force. However, it should be based on a solid foundation. Without going into all aspects of the legislation, the Government should be concerned with what is best for our State and for the people in it and not with keeping its mates happy for some political reason. It is time for us to make a few decisions. There is only one difference between the Opposition and the Government as far as this legislation is concerned and that is that the Government believes it cannot implement it the way the Opposition wants because the Trades and Labor Council will not allow that to happen. That is what it boils down to. It cannot do the right thing because the TLC will not buy it. It has told the Government that if it does not agree with what the TLC wants, it will ensure that the legislation does not work. The Opposition wants to see the legislation implemented. It wants the Minister to appoint to the authority and to the board people who are considered the best people to do the job. However, the TLC wants that put aside; it wants employee representatives to come from the Trades and Labor Council. Apparently, it does not matter whether they are the best or the worst, as long as they come from the TLC.

I make no apology to all of those people who have contacted the Opposition and asked it to ensure that this legislation is passed because it is essential. I suggest to them that, rather than lead them down the garden path by assuring them that consensus will prevail and that decisions will be made in the best interests of all concerned, we should make a few hard decisions at the beginning and say that we will not allow the legislation to pass if the Minister appoints people from the TLC. It is important that everyone understand that this Government is too weak to stand up to the TLC. I suggest to the TLC that it be positive in its outlook and that it ensure that the best people are appointed to the positions and not be so concerned about having the secretary or the chief executive of the TLC appointed by having a provision inserted in the legislation. Hon Norman Moore pointed out that the TLC does not represent every worker in this State. How is it that, under this legislation, the Minister has the power to appoint the best people from the employer side, but not from the other side? It is all very well for Government members to say that we are being paranoid about this. However, is it fair for the Minister to have the power to appoint representatives from the employers' organisations whom he considers to be in the best interests of employees, but he does not have that same right to appoint people from the other side? I cannot understand how the Government is so weak. It lacks internal fortitude.

Hon Tom Helm: You can't even say it properly.

Hon E.J. CHARLTON: I certainly cannot say it the way Mr Helm says it.

[Questions without notice taken.]

Hon E.J. CHARLTON: I earlier described the Government's lack of desire to make what I consider to be the right decision in this matter. I was corrected by Hon Tom Helm, who said that my use of the words "internal fortitude" was not correct and that I should have referred to intestinal fortitude. If intestinal fortitude were not also internal fortitude one would have a terrible problem!

It is time that those interested in this legislation and those who may be affected by it approached it in a positive manner to ensure that as far as humanly possible it is based on a foundation that will ensure the success of the authority. Even those people who support the Bill are obviously deeply concerned that the establishment of this authority could encourage

some members of it to proceed with a different agenda. There is a difference between a specific provision in the Bill that the TLC must be represented and a provision allowing the Minister to appoint representatives from the TLC: If the Minister appoints representatives from the TLC they must accept some responsibility for their performance. If they are appointed to the authority simply because that provision is enshrined in the legislation, they will have no incentive to perform, although they may have a desire to make the authority work. If we as legislators structure the authority in that way we shall not be acting responsibly. It is critical to demonstrate that the Minister is responsible for appointing employees' representatives and that the appointments are made for positive reasons. If the whole matter of representation is cut and dried from the beginning, neither the Minister nor the employees' representatives will be responsible for appointing the best people to those positions. If the Parliament wants to establish an authority with a handicap, this Bill is the right way of going about that. If, on the other hand, the Government and the Minister are prepared to appoint those people who are believed to be the best qualified to do this very important job, the result will be far more satisfactory. There is no foundation to the approach adopted by either the TLC, the Government or both in relation to the proposition before the House.

A great deal has been said about Scandinavian countries which have adopted the type of procedure of which this Bill is the brainchild. It is also important to note that those countries are now finding problems with the original structure and are moving away from enshrining in the legislation provisions similar to those we are discussing. We should learn from the experiences of other countries. We should give the Minister full responsibility for, and an opportunity of, appointing the best possible people.

Hon Norman Moore commented on many other aspects of the legislation but they are incidental to the basic provision; that is, the make-up of the authority and the accreditation board. We cannot afford the luxury of wasting the intentions, dedication and desire of the various groups interested in making this authority work, and carry the burden of appointing as members of the authority people who may have another agenda. It goes without saying that the National Party does not want to be part of that. It has the greatest respect for all the groups with which it has been in contact and exchanged views, and knows they are deeply concerned and want this legislation to be implemented sooner rather than later. I can only say that the National Party will stand up and be counted in the final decision on this Bill. I challenge the Government and the TLC to adopt the same approach.

If the Government wants to see this legislation implemented and working, why can it not accept responsibility for appointing the best people? Why does the Trades and Labor Council not accept the fact that, if it has the best people, a Minister of the present Government's political colour or any other political colour would never appoint people who did not have the dedication or desire to make this important authority work?

The National Party supports the Bill.

HON T.G. BUTLER (East Metropolitan) [5.30 pm]: I support the Bill. I remind members that, as Hon Norman Moore said, this Bill is an indirect result of the tripartite mission in which he and I participated in 1987. Hon Norman Moore explained how hard we worked, and I agree with that remark. The mission was to enable members to look at the training and retraining systems practised in West Germany, Sweden, Norway and the United Kingdom. Part of the role of the mission members was to look closely at the role played in the overall plan by Governments, employer representatives and unions.

As a result of the report by that mission an interim council for productivity was established. It realised that the systems looked at in those four countries could not be transferred automatically to Western Australia as they involved different traditions and cultures which had existed over the many years those systems had been in use. The recommendations of the interim council form the basis of this Bill. I will run through the members of that interim council to indicate that, although Hon Norman Moore and Hon Eric Charlton had reservations about that council, they nevertheless agreed with the content of the Bill.

The members of the interim council were as follows: Mr Clive Brown, Secretary of the Trades and Labor Council of WA; Mr Bill Brown, Executive Director of the Confederation of Western Australian Industry; the late Mike Cross, former Executive Director of the Department of Employment and Training; the late Mr Bruce Dornier, former General

Manager of the Western Australian branch of Fluor Daniel Australia Ltd; Mr Bill Ethell, now Federal President of the Building Workers Industrial Union of Australia; Mr Jeremy Henderson, former Secretary of the Municipal Officers Association of Australia, WA Branch; Mr Doug Lambert, Director of the Labour Relations Division of the Confederation of Western Australian Industry, who was not one of the mission members but was included in the interim council; Mr Harvey McLeod, Executive Director of the Master Builders Association of WA; Mr Wally Palmer, Secretary of the Electrical Trades Union of Workers of Australia; and Ms Brenda Robbins, former Executive Director of the Office of Industrial Relations.

I have named these people to underline the strength of the personnel who formed the interim council and to show that it was tripartite in nature. Coming from that tripartite council we have a Bill which has been given some sort of blessing, I guess, by Hon Norman Moore and Hon Eric Charlton, although they disagree with some of its important elements, one of which is the establishment of the State Employment and Skills Development Authority. I was disappointed that both Hon Norman Moore and Hon Eric Charlton tended to single out the role of the Trades and Labor Council and to play down its importance in the overall role of the tripartite body.

Hon Eric Charlton tried to point out a difference between the role of the Trades and Labor Council and the role of employers. Clause 9(b) of the Bill states in relation to establishing the authority -

4 persons shall be appointed on the nomination of organizations which in the opinion of the Minister represent employers and one of those persons shall be the Executive Director of The Confederation of Western Australian Industry (Incorporated);

Neither Hon Norman Moore nor Hon Eric Charlton was able to convince me that anything is wrong with that. Clause 9(c) of the Bill states -

4 persons shall be appointed on the nomination of the body known as the Trades and Labor Council, one of whom shall be the person holding the office of Secretary of that body;

The difference between the two subclauses is that employers are made up of disparate groups and not a single peak council. Numerous groups represent employers across Western Australia and Australia generally, such as: The Confederation of Western Australian Industry (Inc); the Chamber of Commerce and Industry (Inc) WA; Chamber of Mines of WA (Inc); Australian Construction Contractors Federation; Master Builders Association of WA; Master Painters Decorators and Signwriters Association of WA; Master Plumbers and Mechanical Services Association of WA.

Clause 9 provides for the establishment of the authority and points out that there will be four positions for employers to be represented on that body through the organisation on which they are represented. The difference between those bodies and the Trades and Labor Council is that the Trades and Labor Council is the only peak council of trade unions in Western Australia; no other body in Western Australia can make that claim.

Hon Derrick Tomlinson: Are there other bodies that could nominate representatives?

Hon T.G. BUTLER: I think that Hon Derrick Tomlinson would find that those bodies prefer to be under the banner of the Trades and Labor Council, because they are affiliates whose policy it is that the TLC will be the body representing unions on SESDA.

Hon Derrick Tomlinson: What about bodies that are not affiliates of the TLC?

Hon T.G. BUTLER: The point Hon Norman Moore made was that the Trades and Labor Council represented only 50 per cent or 38 per cent of members.

Hon Derrick Tomlinson: It was 45 per cent of financial members.

Hon T.G. BUTLER: Let me draw to the member's attention just what is the role of the Trades and Labor Council and the affiliated unions. The Trades and Labor Council represents 100 per cent of wage and salary earners in Western Australia.

Hon Derrick Tomlinson: This will be entertaining!

Hon T.G. BUTLER: The member should hang on a minute and he may learn something because obviously he does not have any knowledge of industrial relations.

Hon N.F. Moore: That is a silly statement to make.

Hon T.G. BUTLER: No it is not, because continually members opposite get up, one after another, and display their ignorance of industrial relations, so the member should not tell me it was a silly statement. It was a true statement. The fact is that the awards to which the unions affiliated with the Trades and Labor Council are party cover not only the financial members of the particular unions but also all wage and salary earners in that industry. During my time as a union official, which covered 22 years, I have no recollection of an employer ever moving an amendment to an award that would be of benefit to the workers. I do recollect that a great amount of time was spent by trade union officials in improving the conditions of work that applied to all people who worked under the relevant awards, whether or not they were union members.

The Industrial Relations Act contains no provision which would allow for the scope of an award to be applied only to employees who are financial members of a union. I agree with that because I would not like awards to be restricted in that sense. It is interesting that awards have no provisions - and when members opposite were in Government they made sure of that - which give preference to unionists in respect of employment opportunities in an industry. I disagree with that because I believe that, if people are paying their way, they should be entitled to preference for the positions that become vacant.

Hon D.J. Wordsworth: You have been in Government for seven years. Why have you not provided for that?

Hon T.G. BUTLER: The member knows better than that.

Hon D.J. Wordsworth: I would like to hear your explanation.

Hon T.G. BUTLER: The member may recall that I introduced a private member's Bill to delete part VIA of the Industrial Relations Act, which would have provided for preference for unionists to be included in the Act, but members opposite threw out that Bill, so they should not tell me that we did not try to do anything.

Several members interjected.

Hon T.G. BUTLER: The Trades and Labor Council is basically different from any other employee organisation and as such is entitled to be the body representing the unions on the tripartite board.

Hon N.F. Moore: That is your fundamental error. It is not to represent the unions but the employees.

Hon T.G. BUTLER: That is drawing a very fine line, because the fact is that unions cover all employees in the State.

I return now to the question the member asked about unions that are not affiliated with the Trades and Labor Council.

Hon Derrick Tomlinson: Are you pointing at me?

Hon T.G. BUTLER: It is amazing, is it not?

The DEPUTY PRESIDENT (Hon Garry Kelly): It may be better were the member to address the Chair.

Hon T.G. BUTLER: Just to take up the point that Hon Derrick Tomlinson made about unions that are not affiliated with the Trades and Labor Council, the fact is that those unions are covered by the conditions and structural efficiency principles of both the Commonwealth and State arbitration commissions, which were drafted by virtue of negotiations between employers and the Australian Council of Trade Unions, of which the Trades and Labor Council is the Western Australian branch. So, the Trades and Labor Council's role is very important in the overall scheme of things.

I was not surprised by the attitude taken by Hon Eric Charlton, because I have become used to it. The only thing missing from his speech was any mention of married women who are working. How he did not bring that into this speech, as he has brought it into most of his speeches, is beyond me.

Hon E.J. Charlton: The reason I always bring it in is that I would like to do something about solving the problems, on which you are spending so much Government money, which have arisen because mothers are not at home to look after their children.

Hon T.G. BUTLER: The member has made it very clear in the past that he has an inbuilt dislike for married women who are working.

Hon Kay Hallahan: He does not mind them working but he does mind them working for money.

Hon T.G. BUTLER: The apprenticeship system that Mr Charlton finds so attractive is bound up in the industrial relations system. It is presently part of all of the awards and of the Industrial Relations Act. The aim of SESDA is to establish a training forum or authority.

Hon Derrick Tomlinson: Coordinating body.

Hon T.G. BUTLER: Yes, which will be separate from industrial relations. The argument has been put to me - and I have heard it on radio over the last couple of days - that this will be just the old boys' industrial relations network getting back together: We will find that the people who serve on this authority will appear in opposition to one another in the Industrial Relations Commission and will then attend a meeting of SESDA; as a consequence, it will not work because all the old antagonism will still be there. The people who are saying that have absolutely no understanding of the industrial relations system. It does not work like that. The situation is that unions and employers are able to get together at any time to try to resolve problems. This Bill provides that they will be able to have fewer tedious discussions about training and retraining, about which they should all be united, and will be able to look for a way in which to coordinate that scheme. The interim council that was established as a result of the overseas mission concluded that there was a need for change and that it would benefit industry generally to set up a single forum, such as SESDA, where industry, Government and employers could address problems of skills development and labour force flexibility.

Hon Norman Moore had a great deal of concern about what was meant by labour market service. He seemed to think that a labour market service would result in another social welfare system being introduced for training. He said that it was defined within the Bill but he did not read the definition. For the sake of the House I will read the definition of labour market service because, unless I am missing something in the interpretation, I cannot see what it has to do with social welfare. The definition states -

"labour market service" means any job search programme, job preparation programme, job placement programme, or, work experience programme, provided for or in connection with employment;

Hon Tom Helm: Fitting people to the vacancies.

Hon T.G. BUTLER: Hon Norman Moore seems to have a fixation that it will be a social welfare system.

Hon Derrick Tomlinson: Does that have a limited or a broad application?

Hon T.G. BUTLER: It has a broad definition. It seems to me that is what it means.

Hon Bob Thomas: The member is being interrogated.

Hon Derrick Tomlinson: He is giving good answers.

Hon T.G. BUTLER: The emphasis of that mission was the importance and success of the tripartite system in Sweden, West Germany and Norway. This was not a conclusion that it came to without assistance but was based on the information available on the economy of Sweden and on the 1986 figures from the Organisation for Economic Cooperation and Development, which were a shade more relevant than they are today. I have not read of any massive changes in the Swedish economic system recently.

Sweden has a population of eight million people with a working population of 4.3 million. It has an unemployment rate of 2.8 per cent and an inflation rate of 3.3 per cent. Its exports are at a rate of 33.3 per cent of its gross domestic product. It has few natural resources, as Hon Norman Moore pointed out, and its best resource is a highly trained work force. Therefore, emphasis is placed on training and retraining which is necessary to adapt to ever changing technology. Sweden also has 11 multinational organisations which operate outside the country. The reason for that lies in the tripartite system. Hon Norman Moore can draw a distinction between the trade union movement in Sweden and that in Western Australia if he likes, but he has to realise that Sweden has had no industrial trouble since the 1920s and 1930s. It was not hindered by the war.

Hon N.F. Moore: It opted out of the war.

Hon T.G. BUTLER: It showed a certain amount of commonsense in that.

Hon E.J. Charlton: The member would not be speaking now if Australia had had the same attitude.

Hon T.G. BUTLER: Sweden had all those benefits in developing its industrial relations system which has never been challenged.

Hon N.F. Moore: Many people do not approve of what is going on in Sweden.

Hon T.G. BUTLER: The members of employer organisations the mission met with were touchy on questions of taxation, but no suggestion was made that the tripartite system of negotiation and discussion should be replaced.

Hon N.F. Moore: They had no choice.

Hon T.G. BUTLER: It was not a question of having a choice. The Swedish people had the choice for six years under a conservative Government which they quickly got rid of because the economy of Sweden wound down.

Hon E.J. Charlton: Not like Australia which is booming!

Hon T.G. BUTLER: Western Australia should allow for the development of skills in a proper and coordinated fashion by a properly constituted authority.

Hon N.F. Moore: The Opposition has no argument with that.

Hon T.G. BUTLER: The member is not arguing with principles but he is arguing with how that would be handled.

Hon N.F. Moore: I am arguing that Western Australia should have a properly constituted authority.

Hon T.G. BUTLER: It does not matter what words Hon Norman Moore or Hon Eric Charlton use, the Opposition objects to the involvement of the trade union movement.

Hon Max Evans: Hear, hear!

Hon T.G. BUTLER: Hon Max Evan agrees with that.

Hon N.F. Moore: I am not opposed to unions being involved.

Hon T.G. BUTLER: The member is desperately opposed to it.

Hon N.F. Moore: I am not.

The DEPUTY PRESIDENT (Hon Garry Kelly): Order!

Hon T.G. BUTLER: The member is opposed to a tripartite system. He has made that quite clear in the minority report.

Hon N.F. Moore: I am not opposed to union involvement.

Hon T.G. BUTLER: Hon Norman Moore is opposed to union involvement no matter what words he may use.

The DEPUTY PRESIDENT: Order! It would be better if Hon Tom Butler addressed the Chair; that may curtail the unruly interjections.

Hon T.G. BUTLER: I do not intend to speak on this matter for much longer.

Hon E.J. Charlton: Why not?

Hon T.G. BUTLER: Why would the member want me to continue? Hon Norman Moore knows what he is talking about which is different from what we have to put up with from Hon Eric Charlton's mob from time to time. Training through the apprenticeship system is bound up in the industrial relations scheme whether the member likes it or not. This is not meant to be a threat, but if the Trades and Labor Council participation is excluded or is limited -

Hon E.J. Charlton: Who says that it should be excluded?

Hon T.G. BUTLER: The Opposition's amendment states that. The Trades and Labor Council can simply continue to deal with training in the arbitration system.

Hon E.J. Charlton: That is a standover tactic.

Hon N.F. Moore: It sounds more like a threat to me.

Hon T.G. BUTLER: Hon Norman Moore should take a lesson from what he saw overseas if he wants a proper skills development program initiated.

Hon N.F. Moore: I did take a lesson from overseas and I wrote my own conclusions in the minority report.

Hon T.G. BUTLER: Wherever the mission went the emphasis was on the involvement of the three social partners in the tripartite system.

Hon N.F. Moore: Nobody argues against unions being involved. I am opposed to them having total control in employee representation.

Hon T.G. BUTLER: The member has not convinced me of that at all. He will certainly not convince me by way of interjection that he is not concerned about the involvement of unions because he is concerned.

Hon N.F. Moore: How do I convince you?

Hon T.G. BUTLER: The Bill is full of merit. It is the result of two and a half years' hard work by dedicated people to improve skills development in Western Australia. It is established on the basis of tripartite involvement and espouses that principle. I support the Bill in its present form.

Sitting suspended from 6.00 to 7.30 pm

HON DERRICK TOMLINSON (East Metropolitan) [7.30 pm]: I emphasise the point that has already been made quite clear by Hon Norman Moore. It still persists in the minds of Government members that we do not support the State Employment and Skills Development Authority legislation. Let me make it quite clear that the Liberal Party does support the principles contained in this legislation. In spite of the host of letters which were received by Hon George Cash - and which he, being an unselfish fellow, shared with his colleagues in the Parliamentary Liberal Party - and which seemed to argue that we are here to reject the legislation, that is not our intention at all. We do support the principles contained in the SESDA legislation. There are matters of detail within that legislation which we challenge and which we ask the Government to rethink, and we will propose some amendments to the legislation which we hope that the Government will accept, but the fundamental principle contained in the Bill is not challenged.

The reason for our support of the Bill is summed up quite clearly in the Minister's second reading speech, and I will quote it because it is an important statement -

The message is clear: If Western Australia is to develop industries that are competitive, it is critical that we understand and develop the important relationship between a highly skilled work force and industry productivity.

To any student of the Australian economy and the Western Australian economy, that must be a self-evident truth, but it is not a new truth. As I read those words I must confess to having had a sense of *deja vu* - I had read them somewhere before. I went to my library shelves and tried to find where I had read them before. The first thing I looked at was the Myer Kangan report of April 1974, "TAFE in Australia". In the preface to the Myer Kangan report there is a statement which almost mirrors the statement which I just read from the Minister's second reading speech. Because it was a report on technical and further education in Australia, the reference was to technical and further education. In 1974 skills training focused upon that aspect of what became tertiary education. I quote from that report -

Technical and further education is an integral component of the national resources that make for technological development, a skilled and mobile labour force, personal work satisfaction and economic growth. Nevertheless, it does not yet appear to rank officially as an integral part of the nation's education system.

That was in 1974, and the report then went on to point out that almost 70 per cent of men and over 80 per cent of women in the labour force had, at that time, no formal educational qualification at the trade, technician or other vocational level, or a degree. Again I make the point that, while the statement in the Minister's second reading speech is an honest and

accurate one, it is not a new statement. It repeats what was told to the Federal Government - the Whitlam Government - in 1974; that is, if Australia is to make any technological progress and to capitalise on its natural assets it must have a skilled work force, and until that time in 1974 there was not adequate emphasis upon the training and skills development of our work force.

However, even that did not satisfy me so I went further back in my bookshelves and found the statement I was looking for, because it encapsulates very clearly the sentiment supporting the SESDA legislation. I quote -

In a period of business recession, the first sufferer is the unskilled man and his family. That alone would constitute a powerful reason for the active forwarding of technical training. But, of course, we must add to that the basic truth that a rise in the material standard of living must depend upon more and cheaper production, and that in cheapness of production, the effective work done per man - that is to say, the real skill of the man - is of far greater importance and should attract far more of our attention than the amount of money that is paid to him. In other words, high wages and great skill and efficiency are natural partners. If we are to match the rest of the world in production and make our products available to the mass of our people at prices which they can afford to pay, we must begin, not to follow the world, but to lead it in technical skill.

That quote was from the *Hansard* report of the House of Representatives on 26 July 1945, and the speaker was the then Leader of the Opposition, Mr Robert Gordon Menzies. Forty five years later we are saying the same things; so, if anything, the Liberal Party would say not merely that we support this legislation but that in fact it is legislation well overdue. However, even in supporting it we find that there are some aspects of it which we want to question.

Hon Garry Kelly: You have no national superannuation.

Hon DERRICK TOMLINSON: No, but no doubt the member's party will be working towards that as vigorously as it has worked towards this State Employment and Skills Development Authority legislation.

We support the principles of coordination and rationalisation of skills training, but we question certain areas of the legislation. We question the structure of power and authority within the SESDA framework, the tripartite membership of the authority, the accreditation board and the industry employment and training councils. We question the method of decision making within the authority, the board and the councils. I will deal with each of these problems in turn, beginning with the structure of power and authority. In the Bill, three dimensions of authority are entertained. The Minister's second reading speech refers to the power or authority of the training councils as follows -

The SESDA network is ultimately dependent on IETCs to provide the intelligence necessary to develop policies that meet the needs of industry and the regions.

That is an advisory power, not a decision making power; councils have no authority but have the power to investigate and to recommend. That is the first level of power or authority entertained in the Bill. The second level in that hierarchical structure which characterises the SESDA framework is the Skills Standards and Accreditation Board. The board has some control over accreditation but again its decision making authority is limited. I refer again to the second reading speech -

The board is the quality control body of the SESDA network and will be responsible for standard setting and accreditation.

So the board has quality control, and it has some authority over accreditation. Therefore, in this hierarchical, administrative structure we also have a hierarchical ordering of authority. At the lowest level - that is, the IETCs level where no authority reposes at all - there exists merely an advisory and investigative power. At the second level of the accreditation board, some authority exists but it is limited to accreditation and the setting of standards or quality control. The real authority, the decision making power, rests within SESDA itself. I refer to the second reading speech once more -

The coordinating body, the State Employment and Skills Development Authority,

will create, for the first time in this State, a single forum for the development of training policy and a strategic view of skills formation.

It is a single body with decision making power. So within the hierarchical structure, we have three levels of organisation, and three levels of authority. Within that hierarchical structure, authority comes to be focused at the top. It is a classical Weberian, bureaucratic structure where power or authority is centred at the highest level and decisions emanate from the top and flow downwards. Nothing is fundamentally wrong with that Weberian hierarchical structure. I know, Mr President, you warn members constantly against referring to the legislation at this stage but I beg your indulgence because it is necessary to refer to the legislation to make a point. The hierarchical structure of authority is translated into the legislation in the following terms: Clause 24 refers to power of the training councils, and one should bear in mind my earlier comments that the training councils have merely an advisory function. The operative verbs describing the functions conferred by the Bill identify the lack of authority of councils. The clause states -

- (a) to identify . . .
- (b) to co-ordinate . . .
- (c) to inquire . . .
- (d) to provide advice . . .
- (e) to develop and promote . . .
- (f) to initiate and facilitate . . .

These functions are important but each of them is merely a process of gathering information, disseminating information and giving advice. Not one of those functions indicates any authority to decide, any power to act, or any independence of action.

The second level is spelt out in the operative verbs and relates to the accreditation board. Authority exists, the board has some power to decide, but again it has limited power. I refer to the functions of the board in clause 28 as follows -

- (a) to accredit any skills formation . . .
- (b) to determine and monitor the standards of competence . . .
- (c) to facilitate . . .
- (d) to accredit and certify . . .
- (e) to liaise . . .
- (f) to advise . . .

I emphasise the operative verbs: To accredit, to determine, and to accredit and certify. Clearly, at board level, we see some limited authority. However, it is not until we get to the State Employment and Skills Development Authority itself in clause 17 that the operative verbs, in the functions of the authority, indicate where the real decision making authority rests in this hierarchical structure. Clause 17 states that the functions of the authority are to develop; to coordinate and monitor; to promote coordination; to develop and promote policies; to promote the partnership of employers, unions and Government; to develop policies; to accredit skills formation and approve labour market services; to register and approve skills formation agencies; to facilitate; to establish and implement accreditation and certification standards for skills formation; and to promote and ensure. That is the focus of the real authority of the SESDA framework. Again, I make the point that it is a classic Weberian, bureaucratic hierarchy. Again, nothing is fundamentally wrong with a Weberian, bureaucratic hierarchy. It has been demonstrated to be one of the most efficient, most effective means of administration of agencies, private or public.

Classic examples of that structure are the Catholic Church and the military services. Where then is the problem in relation to the SESDA legislation? In all of the Government's claims about SESDA it has argued that it will be industry driven, and that industry in the tripartite structure will participate at all three levels - the authority, the board and the council. However, the real authority reposes in only one of those three levels - that is in the authority itself. The net result will be the imposition of a structure which supposes to devolve decision-making upon councils which are representative of regions and industries; however,

the councils have no authority to decide these issues. The other dimension of the authority is that which we may call the political or policy dimension, and this involves the decision-making power reposing at the centre. Any structure which attempts to devolve authority or the advisory power by removing the decision-making authority from other levels of the organisation and focusing all such authority at the top will inevitably diminish and emasculate the bodies at the lowest levels of the hierarchy.

The Government is creating a structure which will inevitably work against the intention of an industry driven authority. It will rapidly emerge that the authority will be bureaucratically driven; it will be driven by the secretariat which is to be established to maintain and support the authority itself. As the bureaucracy exercises its authority, and becomes increasingly powerful in the decision-making process, so the industry component will become increasingly powerless, and its functions will become increasingly meaningless. As this occurs, the power exercised at the centre of the authority will be used to assume the functions intended to be exercised by the IETCs themselves.

One of the most sensible components of the legislation is the requirement for review. SESDA will be reviewed two years after its establishment, and this will occur on a triennial basis following the initial review. If the Government is sincere in its intention that SESDA will be industry driven, the organisational structure must be seriously considered in the first review.

Referring to the tripartite membership of SESDA, I respond immediately to Hon Tom Butler's challenge in which he persisted in arguing that Hon Norman Moore was opposed to the tripartite structure.

Hon T.G. Butler: Exactly!

Hon DERRICK TOMLINSON: Despite everything Hon Norman Moore said in support of the tripartite structure, Hon Tom Butler said that Mr Moore did not understand or want a tripartite structure.

Hon T.G. Butler: Exactly!

Hon DERRICK TOMLINSON: Not only does the Liberal Party support the concept of SESDA, and in principle the SESDA representation, but it also recognises that SESDA will only work - not only SESDA but any other organisation with the same purpose - if cooperation and consultation exists between the employer and employee bodies and the group which the legislation calls the "skills formation providers" - I do not know why this group was not termed the "training body".

Hon T.G. Butler: You would have amended it!

Hon DERRICK TOMLINSON: It is obviously a term that was invented by somebody like Hon Tom Butler who likes lovely phrases like that.

SESDA will work only if those three participants in the process want it to work. It will only work if genuine consultation takes place between employers, employees and the skills provider. If the skills provider is to be Government, that must be the case. However, I would like to see consultation, cooperation and hard work with all three of these components.

Hon T.G. Butler: Given that you accept that the Bill contains a good review provision, what is wrong with the Bill being passed in its present form?

Hon DERRICK TOMLINSON: We are suggesting that the Bill will be passed in its present form.

Hon T.G. Butler: No, you are not.

Hon DERRICK TOMLINSON: We are proposing some amendments to fine-tune some components within the Bill because that is the proper function of Opposition.

Hon John Halden: The gutting of legislation is the only function of the Opposition in this House!

Hon DERRICK TOMLINSON: The role of Opposition is to consider and improve legislation, if the legislation needs to be improved, and we have considered this legislation and have decided that it can be improved.

Hon T.G. Butler: That is your view.

Hon DERRICK TOMLINSON: The difference between the Government and the Opposition on the issue of tripartite structure is the question of representation of the three elements involved. The question is whether that representation should be delegate representation or trustee representation. By "delegate representation" I mean that authorities such as the Trades and Labor Council and the Confederation of Western Australian Industry should nominate their representatives, and those representatives will represent the point of view of those bodies - that is, those organisations which have gained the grand title of "peak bodies". The trustee representatives will take an alternative view. The representatives are drawn from the bodies which might be characterised as employee and employer authorities, but the people who represent those bodies are not to be bound by the decisions, the policies or the prejudices of those bodies. They come to the decision-making process and functions of SESDA in a disinterested manner. They judge each case on the evidence presented not according to the predilections or ideologies of the body which they, in theory, represent. The best explanation of this was given in 1973 in the Report of the Interim Committee for the Australian Schools Commission - the Karmel report. The report argued against delegate representation in these terms -

In submissions to and discussions with the Committee, the Australian Teachers Federation and the Australian Council of State School Organisations argued strongly for the right to nominate representatives as members of the Commission.

The answer given by the committee was -

The Committee feels that the Commission should be able to conduct its proceedings on the merits of the business before it, with its members not bound to any particular point of view on specific questions. This does not mean that the Commission should be insensitive to widely held views in the community nor that its membership should not display a range of experience and attitudes, but it does mean that individual members should be free from the responsibilities of representing constituent bodies. Moreover, the number of organisations that might claim representation is large, so that a Commission based on the principle of direct representation would become unwieldy and inhibited in its capacity to make decisions.

Relate those principles argued in the Karmel report of 1973 to SESDA. The Karmel report argued that the membership of the Australian Schools Commission should not be bound by the policies and attitudes of their constituent bodies. Members of the commission should be able to make a disinterested evaluation of evidence presented and to make their decision on the basis of their evaluation of evidence and not on the basis of the ideological predilections or the preferences of constituent bodies. That must surely apply to SESDA because if it is to work it must demand that same process of disinterested evaluation. It must judge each case on the facts, not judge each case on the basis of ideological predisposition. The second matter raised in the Karmel report is that the number of bodies which have claimed representation is unwieldy. The number of bodies which might claim representation on SESDA is similarly unwieldy, and it is similarly unrealistic to say that the Confederation of Western Australian Industry is the only body which might represent the interests of employers on this authority. The Confederation of Western Australian Industry is only one body of the many that might compete reasonably for representation on SESDA. Similarly, the Trades and Labor Council is only one body representing the interests of employees which might reasonably claim a place for representation on SESDA.

If the Government focuses representation with the confederation on the one hand and the TLC on the other hand it will, firstly, lock out all of those other bodies representing, and justifiably claiming to represent, employers and employees from the decision-making process. Secondly, the Government will institutionalise in the decision-making process the ideologies of single employer authorities on the one hand and single employee authorities on the other hand. Instead of establishing a process of cooperative consultation the Government is in danger of institutionalising the confrontationist industrial relations that characterise industrial relations in Western Australia. SESDA will fail if it institutionalises confrontationist industrial relations. SESDA will work only with cooperative consultation among its component parts.

I commend the Government on its decision to amend its legislation so that the representatives of employers are not drawn solely from the Confederation of Western Australian Industry.

One member, and quite reasonably so, will be a member of the confederation, but the other three members will be persons who in the opinion of the Minister represent employer interests. Having accepted that widening of representation for the selection of SESDA, the Government has been adamant in rejecting wider representation of employee authorities and says there is only one peak body - the Trades and Labor Council. In persisting with the argument of one peak body the Government is locking out all other bodies which can justifiably claim to be representative and is institutionalising the evaluation, the policies, the preferences and the ideologies of the Trades and Labor Council. I hope the Minister takes note that that is a recipe for the failure of SESDA.

Hence, we have two major problems: The first is that the hierarchical structure within the SESDA framework focuses authority in the secretariat which will support the authority. Its structure will lead to the defeat of the intention that the authority shall be industry driven. The second problem is that the proposed organisational structure of the authority, the board and the industry employment and training councils, institutionalises a confrontationist industrial relations program. There is a third difficulty: The decision-making process for SESDA will not work unless a genuine effort is made by the participants. There must be genuine cooperation and consultation and a willingness on the part of participants to listen, and to be responsive and amenable to alternative propositions put by the other members of the authority. That is a fundamental principle which is gradually being accepted in industrial relations in Australia and certainly in Western Australia. Confrontationist industrial relations persist, but cooperative industrial relations are gaining ground.

Cooperative decision-making - proper consultation amongst the participants - must be unanimous rather than by a majority. The consensus which represents the decision derived from that consultation must be a unanimous decision of all the participants. If decisions are not unanimous, and if the Government accepts the proposition contained in the legislation that a majority of a majority of the participants shall prevail, there must inevitably be a dissenting opinion and individuals who feel aggrieved.

We are constantly told that we should learn from the original Australians, the Aboriginal community. One of the striking features of that community is that its decision-making process is not by majority consensus but by unanimous decision. No decision is made until the community reaches unanimity - the decision belongs to the whole community. Because it agrees unanimously, the community follows it through. It is not achieved easily. The process of decision-making in the Aboriginal community is slow and thorough. There is no pressure to bring about consensus by manipulating a minority or upon a dissenting group to conform. There is a slow process of negotiation at the end of which unanimity is achieved. This unanimity is the consensus decision and there is no decision until there is such unanimity.

Let us apply that to SESDA. Two of the three components in the history of industrial relations in Australia have participated in confrontationist industrial relations and confrontationist industrial relations depends upon a consensus which is a compromise. Compromise is achieved by coercion of various kinds. However, because compromise is achieved by coercion of various kinds, there is always a resistance, a persistent hostility towards the decision-making because it is not "my decision", it is a decision foisted upon one or other of the participants in the decision-making process.

SESDA will not succeed if a decision is foist upon one or other of its participants. Coordination and commitment to skills training in WA can be achieved only if each of the protagonists, the employer and the employee, work at achieving unanimity in their decisions. The Opposition will move amendments to the legislation for a requirement for unanimity - called consensus in this case - rather than compromise in the decision-making process.

The Liberal Party supports the principles contained in the SESDA legislation. The Liberal Party recognises the need for a coordinating authority so that there can be real progress in skills development in WA to make proper use of available resources. However, there are flaws in the details of the legislation. We will recommend measures to amend those flaws. In addition to the amendments, I strongly urge the Government to monitor SESDA in its first two years of operation. I believe the Government is genuine in its commitment to skills training being industry driven rather than being authority driven. However, within the structure of the authority, there is a danger that industry will be locked out of the

decision-making process. I warn against the employer being locked out of the decision-making process in the current climate. A change of Government could mean a change of membership appointed by the Minister with the unions being locked out of the decision-making process, and nobody wants that. The Opposition and the Government want a cooperative and successful scheme.

HON TOM HELM (Mining and Pastoral) [8.16 pm]: It is good to join with everybody else in this Chamber and support the Bill. Everyone recognises that it has taken at least three years for the Bill to get this far. It has taken three years of consultation with just about everybody who has anything to do with industry in this State. Over 2 000 submissions have been made on the Bill. It has been backwards and forwards from this place to the other place. Various amendments and amendments to amendments have been moved. Everybody accepts that we can no longer live off the sheep's back or dig holes that will get bigger so that we have no State left. The floor price of wool has dropped.

Hon E.J. Charlton: Not by supply or demand; by intervention.

Hon TOM HELM: For whatever reason, wool prices have dropped. Everybody agrees, including **Hon Eric Charlton**, that the resources of this State will depend more and more upon what people are able to put into it rather than on what people are able to take out in material and in resources that are fast disappearing.

Opposition members have made speeches and told us that they will move amendments to the Bill to meet the requirements of the work force so that that work force will work smarter rather than harder so that we can downstream process the resources of which we have an abundance at present but which are fast running out because of diminishing world and commodity prices. The Opposition, the WA Chamber of Commerce and Industry and the Chamber of Mines and Energy of WA have informed us that certain amendments need to be made to the legislation before the Bill can work properly.

The Opposition said it recognised the intention of the legislation, but there needed to be some changes to it. The major change to the Bill, according to Opposition members, is that employees will not be best represented by the Trades and Labor Council. The TLC appears to be the major sticking point, but it has only a limited role to play in the formation of SESDA. It raises the question: Why do the Opposition, the Chamber of Mines and Energy of WA and the Chamber of Commerce and Industry consider the TLC to be such an abhorrent body to be represented on SESDA?

Several members interjected.

Hon E.J. Charlton: Get your facts right.

Hon TOM HELM: I appear to be mistaken. Has the Opposition accepted the TLC's being represented on the proposed authority?

Hon Derrick Tomlinson: We accept it.

Hon E.J. Charlton: The Minister can appoint the best people.

Hon TOM HELM: I ask the Opposition again whether it approves of the TLC being represented, by name, on the authority?

Several members interjected.

Hon TOM HELM: I am reading the Opposition's proposed amendment to clause 10 of the Bill.

Hon N.F. Moore: Clause 9 refers to the membership of the authority.

The DEPUTY PRESIDENT (**Hon D.J. Wordsworth**): Order! The member on his feet should leave the technical questions to the Committee stage.

Hon TOM HELM: I wanted to make it clear because I do not understand the amendment which has been circulated. Perhaps we can sort it out later, Mr Deputy President.

Let us assume that when the Chamber of Mines was asked whether it objected to having the TLC represented on the proposed authority, it said yes, it did. It was of the opinion that the proposed authority would be an armless body if the TLC or Clive Brown, the Secretary of the TLC, was not named as a representative on that authority. If the Opposition is saying something different, we will hear about it in the Committee stage. As I understand it and by

coincidence, it seems to be of the same opinion. Let me assume that the Opposition knows what it is doing and that it does not mind the establishment of the proposed authority, but it objects to the Confederation of Western Australian Industry and the TLC being represented on it by name. I understand that the Opposition's amendment means precisely that; if it does not, we will hear about it later.

I will pursue the argument that the TLC should be represented on the authority. The TLC is perhaps the only peak council of employees in this State which has been partly responsible for the reduction in industrial disruption which this State suffered in the early 1980s. It has been responsible for the Accord and for its working successfully and, as a result, the employees of this State, including members of Parliament, have been recipients of wage increases. The TLC can justifiably claim it played a role in the Accord. The question is whether the TLC should be named as a representative on the proposed authority. The number of people who are members of State unions has been reduced because as the Opposition said during the last Federal election there had been a 13 per cent reduction in real wages since the Labor Government came to power. That has been with the support of and the compliance by the TLC.

Several members interjected.

Hon E.J. Charlton: Productivity decreased.

Hon TOM HELM: Productivity has increased. The figures speak for themselves. I do not know which figures Hon Eric Charlton is talking about, but the level of productivity is as high in this country as it is in any of the nations in the Organisation of Economic Co-operation and Development and it is equivalent to that of Japan, which is Australia's closest neighbour. That is the target this country was striving for and that target has been reached. Our wage outcomes and labour costs are also the equivalent of those countries. The TLC has had a role to play in the downturn, as far as the work force is concerned, in living standards. The upside of that is the ability for people to learn new skills, to improve their skills and to make them more able to sell their skills on the labour market. As a result there is more employment, better productivity and more ability for this State to use its resources for downstream processing. That is the reason the TLC should be represented on SESDA. Hon Eric Charlton said that the Labor Government is seen to be in control of the TLC and it will listen to the Labor Party.

Hon E.J. Charlton: Just like it did before the last election.

Hon TOM HELM: What sort of things did it do?

Hon E.J. Charlton: A meeting we had was rehashed and a lot of lies were told to suit it and you.

Hon TOM HELM: I am sure someone understands what Mr Charlton said - I may understand what he said when I read *Hansard*. If that were true, it would be irrelevant to the major point of this legislation; that is, if the TLC is not represented on the proposed authority it will not, as an organisation, have any place to go in regard to its ability to put in place training skills which are appropriate to the TLC other than to the Commissioner of the Industrial Relations Commission. It is the only authority which would recognise the TLC as a participant in the tripartite system in this State.

I spent four hours with Hon Tom Butler which included a trip to Alcoa to see at first hand its training programs, and I find it hard to understand the reason the TLC, in this legislation, is perceived to be such a dangerous organisation when in every tripartite group in the industrial field in this State, such as occupational health and safety, superannuation and others it is well recognised that the TLC has a part to play. However, the Opposition is taking a backward step by saying that the TLC has no part on this authority. If this SESDA Bill is passed with the proposed amendment which states the TLC should not be represented on the proposed authority the TLC will have no place to go but to the arbitration system. As far as training is concerned the commissioner has the ability to arbitrate in these matters and we listened to a long speech from Hon Derrick Tomlinson who told us what the arbitration system was about and how there is a middle ground when neither party is happy. It is a situation we will be left with and SESDA will be in existence in name only and will not have the ability to put in place skills accreditation, etc. Hon Derrick Tomlinson thought that the proposed structure of SESDA was totally bureaucratic and was driven from the top. He mentioned industry

employment and training councils and the skills standards and accreditation board. I advise him that the Bill clearly states that this legislation will be industry driven. The authority will have nothing to do unless a program is put to it by the IETCs and SSABs.

Hon Derrick Tomlinson: There is an escape clause in the Bill. I will not tell you where it is; I will give you a test.

Hon TOM HELM: Maybe Hon Derrick Tomlinson cannot agree because he does not understand that the authority will have nothing to debate other than issues presented by the two subsidiary bodies. He is right; the State Employment and Skills Development Authority will be the peak council, but at the same time the incentive for action will come from industry. At present 130 training bodies are all trying to do the same thing and it is proposed that one organisation should take responsibility for industry training and be identified as the body that will bring together training needs.

Hon Derrick Tomlinson: Do you mean that one body will take all the responsibility?

Hon TOM HELM: Yes, one body will take responsibility for and debate the issues submitted by subsidiary groups. It would put the top hat on that bureaucratic structure were the Minister to be responsible for the appointment of people to that authority. As has been said by many speakers, if the Trades and Labor Council and the Confederation of Western Australian Industry were not represented on SESDA, the authority would be without credibility. Double standards are being applied on this issue. I understand an amendment to the Bill will be moved to give greater recognition to small business, and that the amendment will be accepted by the Government. If employers are to be represented by up to five separate groups, such as small business, farmers, miners, and confederation of industry people, what is wrong with the Trades and Labor Council being a major player in this game? It must be recognised that the Trades and Labor Council has a lot to offer, and a body without TLC representation would be a body without authority.

The Opposition has not stated what other employee peak council could be represented on the authority. No other such council exists. It would be crazy if, for example, a subject which affected a number of employees, and possibly major employers, were not recognised as an issue. I do not see why the confederation, small businesses and farmers should not all be represented. I understand almost all the employers that have responded to the Minister about this Bill have agreed to the authority's being set up in the way proposed in the Bill; a few amendments have been suggested, but not major amendments that go to the heart of it. The National Farmers Federation agrees with the theoretical need for SESDA. It strikes me as funny that in this second reading debate the National Party is not promoting a member of the NFF on the authority to represent the farming community. I would not oppose that, but it has not been suggested. It makes one wonder why those bodies are put in place.

Hon E.J. Charlton: In every other area your Government says organisations should not be named, but that the best people should be appointed.

Hon TOM HELM: Yes, the best people. Our parties are not far apart in their thinking. The Government's best people happen to belong to the Trades and Labor Council.

Hon E.J. Charlton: Why?

Hon TOM HELM: Because there is no other organisation to which they can belong, and the organisations put their best people in the TLC.

Hon E.J. Charlton: You should get your Minister to put them in.

Hon TOM HELM: He will in name. What is wrong with that?

Hon Kay Hallahan: No, no, no; he will work with the organisation relevant to the field.

Hon TOM HELM: That is right. They all belong to the Trades and Labor Council. Those people who do not belong to it can be represented. Why was there no outcry that non-union employees were not represented during the accord negotiations? When the wage case was submitted, and the six or seven per cent superannuation increase and the various wage rises were granted, no-one asked who represented the non-union people.

Hon Tom Butler: The TLC people represented them.

Hon TOM HELM: Of course, some of my comrades in the Opposition are not in the trade

union movement but they have been the recipients of wage increases brought about by the accord.

Hon Reg Davies: I would prefer "colleague" to "comrade". You are not my comrade, I can tell you.

Hon TOM HELM: If the Salvation Army finds comrade an acceptable term, why is it not acceptable in this Chamber? But they are a godless lot!

The DEPUTY PRESIDENT (Hon D.J. Wordsworth): Order! Hon Tom Helm is referring to an honourable member.

Hon TOM HELM: Members will understand the point I am trying to make. In every other aspect no fuss has been made about those people being non-unionists. The Opposition is right in saying if the best people in a particular field happen to be non-trade unionists those who belong to trade unions would be silly not to seek advice from them. I seek advice from Opposition members, knowing they are not in the union movement, and receive some very good advice from them. Hon Peter Foss will verify that.

These negotiations have taken place over three and a half years and 2 000 submissions have been received, and yet the Opposition is not giving the Trades and Labor Council an opportunity to go anywhere else. Reference has been made to TLC representatives on the authority having a vested interest and being responsive to their constituents, who are the members of the TLC. Members must recognise that both Clive Brown and Bill Brown from the confederation were in the group that went to Europe. From the beginning those two organisations have shown their credentials, have followed SESDA through and have successfully gained their constituents' commitment to the training program. The alternative would be a disaster. Their bona fides is not in doubt and that has been clear from the beginning. The Trades and Labor Council is committed to retraining and restructuring training needs, and to making this State into a more productive and cost effective place able to produce the downstream products that will bring wealth to this State. It does not accept the status quo of 130 industry training councils some of which are not bad, some of which are pretty mediocre and some of which are awful.

Hon Derrick Tomlinson: Will they all improve under SESDA?

Hon TOM HELM: Yes, they will all improve because the right people will represent the employers and the employees on the authority. The scheme will be industry driven because the authority will debate only the issues put to it by the IETCs and the SSAB. The incentive will come from industry and the authority will be obliged to respond to industry's needs. If the Trades and Labor Council is not represented on SESDA, it will have no choice but to move in another direction away from SESDA. If the Trades and Labor Council is not represented on SESDA, that authority will have no teeth, no credibility and no future.

Hon Max Evans: It is up to the Minister to decide whether the Trades and Labor Council goes on.

Hon TOM HELM: The Minister can appoint Clive Brown to the authority, but he may not necessarily accept the appointment. If he were to be a member of the authority as Clive Brown, with no support - as opposed to a representative from small business or the confederation - the Trades and Labor Council would be accepting an organisation with responsibility for the whole State which, for the first time ever, did not have Trades and Labor Council or union input. It is fraught with danger.

Hon Derrick Tomlinson: Does that mean he will enter into the consultation on SESDA with all the authority of the TLC behind him?

Hon TOM HELM: He has so far, has he not?

Hon Derrick Tomlinson: It is very important that you establish that.

Hon TOM HELM: It is not for me to establish. So far the Opposition has not explained why after three years the Trades and Labor Council's representation on SESDA is somehow on the nose.

Hon E.J. Charlton: That is where they have come from. That is the deal; they are either in it by name, or they will not be in it - that is what they have told the Government.

Hon TOM HELM: That is because they have no choice. It will be the only authority in the State that will not have the TLC mentioned by name. Does the member understand the danger of that?

Hon E.J. Charlton: We understand how the TLC works.

Hon George Cash: Does Hon Tom Helm understand it will be Christmas before we finish this Bill, the way he is proceeding? However, as long as it is debated properly and in a balanced way, I am happy.

Hon TOM HELM: That is the point; this may be the only chance we get to pass this legislation, so we cannot make a mistake at this time. The TLC cannot possibly be in the position of being part of an authority as that would have a domino effect; it would undermine all the other authorities which the TLC has named and to which members opposite have not objected. Can members opposite not understand that if a vested interest exists, if SESDA does not work, the Government has advised the Opposition it will review SESDA after a two year period? A commitment has been given to review the situation after two years. If that review indicates that the system has not worked there is nothing wrong with demonstrating that it has not worked and we are back where we started from.

Hon Derrick Tomlinson: This should not be argued from a basis of coercion that, "If you do not do this, that will happen." That is a confrontation which should be avoided.

Hon TOM HELM: I am sorry the member feels threatened, as I did not mean to threaten him. I am sure that the TLC did not mean to threaten us. Please believe me; it is not a threat. Good training programs exist in the mining industry that I am aware of at Alcoa and Mt Newman Mining Company Pty Ltd. They have training programs that are good for their company. I see nothing wrong with that. However, they can be withdrawn, changed or amended at any time. We must find a way to put that together. That is another demonstration of commitment; there is no coercion. It is a fact that the employer sees his responsibility and the employee sees his through the union movement. Members opposite cannot tell me that they are not union organised.

Hon Derrick Tomlinson: Hon Tom Helm is saying that if we do not pass this legislation in the terms demanded by the TLC we will not have it. He is asking us to legislate under coercion.

Hon TOM HELM: If the TLC is not named it has no place to go. It cannot be part of an authority that does not name it, which would be the first time in its history that has happened. Even conservative Governments named it in relation to State authorities.

Hon Max Evans: In a block group of four? Does the member know?

Hon TOM HELM: It goes from one to four in various subsidiary groups.

Hon Max Evans: Give an example of where there are four.

Hon TOM HELM: Members opposite did not pass many Bills which were good for working people when they were in power. Does any member have an idea of the name of any of those Bills?

Hon T.G. Butler: There was legislation relating to apprentices.

Hon TOM HELM: That is one.

Hon Max Evans: Were there four members on that?

Hon T.G. Butler: What difference does it make.

Hon Derrick Tomlinson: Every difference in the world. If there is one TLC member an opportunity is opened up for other people to be represented. If they have four representatives, they lock out all others.

Hon TOM HELM: There were only three representatives on the apprentices training board and one would be from the TLC; if there were six members, two would be from the TLC, and so on. There are equal numbers. Every other tripartite authority in this State has the TLC on it as a group representative which is equal to a Government group or an employer group.

Hon Max Evans: I will ask the Minister to give examples. I do not believe that.

Hon TOM HELM: Max, would I lie to you? Hon Max Evans can check for himself as he has plenty of time to do so. I am told that 12 representatives are mentioned in the Industrial Training Act, four from each group. That position was recognised by a conservative Government and a Labor Government and now we are saying something different should apply. It would be impossible for the TLC to be on an authority for the first time in its history where it would not be officially recognised, considering that it can go elsewhere, that there are 130 industry training councils and that the commissioner has been given the right by the High Court to arbitrate in training matters. If members recognise all those things, they will also recognise these people have no choice; that is the situation.

Hon E.J. Charlton interjected.

Hon TOM HELM: They are volunteers, as well. However, they are not recognised as a group. I am trying to explain the importance of this issue as this matter is of particular importance. I am explaining from the TLC's point of view why it should be left to be an identified representative body on the authority.

I support the Bill.

HON MAX EVANS (North Metropolitan) [8.46 pm]: I was fascinated while listening to Hon Norman Moore earlier this afternoon and could not believe that some of his statements were true. However, it seemed unusual for Hon Norman Moore to say something that was not true. Therefore, I telephoned 426 8149, which appears in the telephone book as the telephone number for SESDA of "St Georges Cntr' 81 St Geo Tce." I telephoned and a voice answered, "Good afternoon, SESDA." I said, "Could you please tell me who the chief executive officer is?" The voice replied, "Certainly, Mr Tony McRae. He is not here at the moment, he is up at Parliament House." The telephone book from which that number came was put to press in April last year, so the Government booked a number for SESDA before April last year. That telephone book was released in September last year when we did not have this legislation. Hon Norman Moore was 100 per cent right, and I apologise to him. How could SESDA be in the telephone book and Tony McRae be its executive officer when there is no legislation on the books? I expect the Minister to explain how, under the Westminster system, the Government could supply money for SESDA; how did it allocate money in the Budget from September last year to pay for this entry in the telephone book when it had no appropriation for SESDA? How did the Minister do that?

Hon Kay Hallahan: I will explain that later. The member heard the reference to the Department of Employment and Training.

Hon MAX EVANS: The Minister has this authority appearing as SESDA and it already has a chief executive officer. Has he a contract as the head of SESDA? It will be interesting to know that. Everything Hon Norman Moore said was correct. I knew that when he was correct on that small point that he would be correct on the lot. Hon Derrick Tomlinson was right, also.

We are talking about what SESDA is supposed to do for this State. The former Minister from the other place stopped me in the passage yesterday morning and told me that this legislation was important for exports, training and so on and, "We must have this Bill." He went on and on. I thought that was very interesting as there is very little value added business in Western Australia and training is mainly for internal purposes as we do not have many exports. Most of our exports come from farming and mining, to which I will turn in a moment.

I wish when members opposite referred to the TLC they would use the proper derivative, which is "tender loving care". It exists to do good for the whole community. I hope that a Gorbachev will come along and revolutionise the Australian Council of Trade Unions, break it all up and make things better for society as a whole so that we are all working together. We have seen what he did for eastern Europe; he got rid of all those comrades we heard Hon Tom Helm speaking about. The Government has 130 training councils, but it needs one more. I just say to the director, who is sitting at the back of the Chamber, will he please provide a training course for parliamentarians? Parliamentarians do not receive any training before they come here or while they are here; they just do the job. That is probably why we get bad legislation. We want an undertaking from the Minister that such a training course will be set up.

Hon Kay Hallahan: Would you say that would be industry driven?

Hon MAX EVANS: Those of us who want to do some useful work in this place would grab it with both hands.

We are getting carried away with what training will do for us. Someone has had the wonderful idea that training will solve all the problems of the world. I do not believe that it will. We are asking too much if we believe that all of the 130 training councils will be successful. Parato's law says that in any field of 100 units, there will be 10 good ones and 90 which are not so good. That is what will happen because that is a fact of life. We need only look at sports. If we tried to implement a revolutionary socialist sporting scheme where everyone was trained from one source with professional coaches, they would not win a single match and would go broke if they were playing professionally. We need more than just training. We need responsibility and motivation. It is also important to have the right trainers. If we bring in a football coach who was coaching 30 years ago, all his players would learn is how to drop kick. They would never again be able to kick properly. If we get trainers who believe that the current work practices in the mining industry are good for business we will not get anywhere.

Hon T.G. Butler: The mining industry would not agree with you about that. Their training scheme was set up on a tripartite basis.

Hon MAX EVANS: I am just saying that work practices have a greater impact on productivity than training. Hon Tom Stephens will know that the increased productivity that was achieved at Robe River Iron Ore Associates came about not as a result of improved training but from making a smaller number of men work in accordance with improved work practices. That is more important in the long term than is anything else.

It has been said that the most important thing is that the training be industry-driven. I would like the Minister to tell us who will be the executive director of SESDA. He must be a Claytons executive director because he does not exist. I would also like the Minister to tell us what will be the performance indicators for this body. How will it be able to measure its performance in 12 months, two years, or three years and report on what it has achieved? It is one thing to set up a number of committees but another to actually achieve anything. The Multicultural and Ethnic Affairs Commission had a similar problem, and I will be interested to know what has been worked out for this body.

In respect of tripartite discussions, I was involved in discussions with the Chamber of Commerce and Industry, along with Judyth Watson and the former Minister for Labour, Productivity and Employment, Peter Dowding, about the proposed occupational health, safety and welfare legislation. We had problems there in having to lock in with the Confederation of Western Australian Industry and the Trades and Labor Council. The Bill provides that the TLC will nominate four people. I accept what Hon Tom Helm said about one man wanting to have his team with him and that it will make it easier for the secretary of the Trades and Labor Council to argue and debate, but I would like to know why two, three or four members must come from the TLC.

What worries me is that we will see the emergence of professional trainers in the field of productivity and training who have no professional or hands-on skills. We have seen the emergence of professional rehabilitators in the workers' compensation system.

I would like the Minister to tell us how training will lead to greater productivity in the construction industry. I believe that will be achieved only by improved work practices, where workers will not stop work because it is too wet, too hot or too cold. That is what productivity is all about, and I do not know what training will achieve. These people have been working for years. They have no incentive to do more.

Hon T.G. Butler: Are you opposed to skills development training?

Hon MAX EVANS: No. I am just saying I doubt whether it will have any real end benefits. It is a nice motherhood statement but I will be checking to see what it achieves. It is the changed work practices in the mining industry which have led to greater efficiency. I agree with the comments which were made earlier that a number of people in the community need retraining, and that a body such as SESDA will be able to provide that. I believe also that retraining is necessary for people who come into Parliament from industry, the Police Force, or from other areas of employment. We will make sure that is provided for the next Minister who comes in here.

Hon Kay Hallahan: I hope the training will be better than the drop kick training you were talking about.

Hon MAX EVANS: There is no doubt that training is necessary but I wonder how a body which is as large as this will be able to make a real impact on and be of benefit to the community.

Hon Norman Moore referred to labour market service. The Minister's second reading speech notes were 31 pages long but did not make any reference to labour market service, yet those words are contained in every other line of the Bill. The same situation applies to the words "skills formation". We find some reference to that in the Minister's second reading speech, which says -

The effect of the qualifications being locked into industrial awards will limit flexible arrangements for ongoing change and portability of skills and hence the employment opportunities of workers. It will further restrict skills formation and ultimately lead to a reduction in the productivity of this State's work force.

The Minister said also that the Skills Standard and Accreditation Board -

... is the quality control body of the SESDA network and will be responsible for standard setting and accreditation. The board's members will be appointed by the Minister, after consultation with employer organisations throughout the State and the Trades and Labor Council. The legislation requires that members appointed to the board have knowledge and expertise in skills formation.

Hon Derrick Tomlinson referred to skills formation. That sounds nice. It is a whole new jargon. The Minister referred also to skills formation agencies, and said -

The Bill provides for accredited training to be provided by workplace or industry-based skills formation agencies in addition to traditional providers such as TAFE and the independent colleges.

That is the only time those bodies are mentioned in the speech but they come up time and time again in the Bill. I would like to know what that means and what their benefits will be.

Clause 4 of the Bill provides a definition of "labour market service" as -

... any job search programme, job preparation programme, job placement programme, or, work experience programme, provided for or in connection with employment;

When we come to the term "skills formation" clause 4(2) says -

A reference in this Act to "skills formation" is a reference to a course or courses of instruction or training or both for the purposes of any occupation but does not include a course of instruction or training or both provided at -

- (a) a university;
- (b) the Western Australian College of Advanced Education . . .
- (c) primary or secondary education provided in a school . . .

unless approved by the Minister and the Minister charged by the Governor with the administration of the *Education Act 1928*.

I have given two references, but the same applies right through the Bill. On line after line these words appear. For instance, clause 5(2) reads in part -

A government organization shall not provide a skills formation or a labour market service if -

On page 11 of the Bill, under the heading "Functions of the Authority" clause 17(1) reads in part -

- (a) develop, co-ordinate and monitor skills formation and labour market services . . .
- (b) promote the co-ordination of State and Commonwealth skills formation and labour market services, policies and programmes; . . .
- (g) accredit skills formation and approve labour market services as a pre-requisite for recurrent funding;

These words sound good but I want to know how this Bill is to be made to work, and how it will make productivity and the whole industry work. I do not want all this fine-sounding rhetoric. The Bill will create a nice authority, but how are we to make it work without its becoming bogged down with lots of people running around with little bits of paper and going to meetings? I feel sorry for the head of the authority and all the other people who will have to go to meeting after meeting. I give them my blessing and hope they can make it work but it will be difficult to do, just from the sheer size of the authority. It sounds good, but the practicalities of it will be difficult, especially trying to use that one big body to do all that is expected of it with a small population such as ours. We have talked about Sweden. I do not know how long it took Sweden to build up its authority, and the Swedish society is much more socialist-driven than is ours. There are many differences between the Swedish society and ours, and it is hard to compare them without taking things out of context.

Hon Kay Hallahan: Singapore is hardly socialist and it is going in for retraining.

Hon MAX EVANS: No, Lee Kuan Yew got in on a Communist ticket; then he thought, "This is a good job. I like it", so he tore up his Communist ticket and remained as Prime Minister for years, but ran the country on a different basis. Singapore is opening up a lot more value added businesses, and that is what we should do here. Our Government must motivate people to invest money into value added businesses to use their employees.

Hon Kay Hallahan: And increase their skills.

Hon MAX EVANS: No, increasing skills will do no good at all unless we have a full socialistic community where the Government starts up businesses - and Hon Joe Berinson will not let it start up any more businesses after WA Inc. We must rely on free enterprise to start up businesses for the skilled, trained workers, because those businesses are the ones which will employ the workers and make them tick. That is the key to it all. Let us see how it works.

HON D.J. WORDSWORTH (Agricultural) [9.03 pm]: I have received quite a lot of representation about this State Employment and Skills Development Authority Bill. Frankly, I had not taken much interest in it. I thought it was one of those Bills which was not quite in my field but was more in the manufacturing field and a bit like my country friend said, "It belongs to the city". It was not until I read the Minister's second reading speech that I began to realise that perhaps we should all become interested in it, because I have not heard such a lot of gobbledygook in all my life.

The first paragraph of the Minister's second reading speech seems to give a utopia of statutory recognition to training. This is the first Bill ever to be presented on training; up until now it has always been done without a Bill or an Act of Parliament. I am rather surprised that this is the Government's attitude, when I look at all the things this Government has done with investment in this State. It lost \$850 million without any statutory recognition or Bills, but suddenly statutory recognition for training becomes important.

Hon N.F. Moore: Maybe they need a bit of training.

Hon D.J. WORDSWORTH: That may be so. The Minister's second reading speech goes on to refer to skills development and industrial cultures, and the direct relationship between training, productivity and economic growth. It is all jargon and high sounding words. It goes on to say that "a highly skilled and adaptable work force is a fundamental requirement for developing high value added industries . . ." This sounds like Mr Hawke trying to turn Australia into a manufacturing country - which, of course, has been a dismal failure. The Minister's second reading speech goes on to give a few examples around the world and refers to West Germany's curing its problem by providing additional training places for youth. The Minister then went on -

In Singapore, the entire work force has been subjected to training and retraining over the past seven years.

Can we really believe this? The entire work force in Singapore?

Hon Kay Hallahan: Doubting Thomas.

Hon T.G. Butler: The retail trade.

Hon D.J. WORDSWORTH: No, it says "In the retail trade, for example, . . ." In other

words, it gives us an example but we are told the whole of the work force has been subjected to training and retaining. I have seen a few workers in Singapore and I would find it very difficult to believe that they had been retrained.

Hon T.G. Butler: A great deal of emphasis is placed on training and retraining in Singapore.

Hon D.J. WORDSWORTH: Let us go on a bit further. The Minister's second reading speech continues, in relation to Singapore's work force -

... all retail employees are undergoing 192 hours of retraining over the next two years to improve their product knowledge and quality of service ...

Were all Australians to put in 192 hours of training in the next two years they would never get any work done at all. If we divide 192 by 35, that is at least two months. They do little enough work as it is, and that might be one of the reasons why we achieve so little in Australia.

Hon T.G. Butler: A 24, eight hour day.

Hon D.J. WORDSWORTH: Come on! We already have this long weekend every month, the rostered day off where no-one is allowed to work on Mondays. I remember what happened when my wife was doing a little bit of rebuilding at a building she had on Stirling Highway. It was a rostered day off and she asked the gardener, who was helping her, to move some building sand in order to plant a tree - and the whole place went on strike. They were not going to go back because someone had moved some sand which was building sand and not growing sand. They imposed a fine of \$10 000 on that business before work was allowed to start again.

Hon E.J. Charlton: It could have been the TLC.

Hon D.J. WORDSWORTH: Perhaps they need retraining. It is a load of poppycock. It is the Australian attitude, and the attitude of the unions in particular, that is causing this sort of trouble. I would say what makes the retailers in Singapore so good is not the 192 hours of training but the fact that they could lose their jobs if they do not sell the article.

Hon Kay Hallahan: It might be something to do with their attitude.

Hon D.J. WORDSWORTH: That is right. What happens in Australia with attitude? Has the Minister ever gone into a shop where the two shop assistants are talking about the best bet on the races or the lotto? Will they serve anyone? Not on your life! They will wander over to the customer when it suits them. That attitude is wrong.

Hon Kay Hallahan: Your attitude tonight is very concerning.

Hon D.J. WORDSWORTH: It is; nevertheless, let us have some other attitude and see that there is another side to this argument. I believe the difference is that in Australia generally speaking we have the wrong attitude to our work. I do not believe 192 hours of training, unless we are going to put them through some sort of psychological program, will train the workers that much. One notices when one goes to a retail outlet in America the courtesy one receives from the staff compared with those in Australia.

Hon T.G. Butler: If I were to agree with you that you were right, would you be prepared to agree with me that the end production of something like SESDA would correct all that?

Hon D.J. WORDSWORTH: I do not agree that the establishment of the State Employment and Skills Development Authority will correct that.

Hon T.G. Butler: Why not?

Hon D.J. WORDSWORTH: I will comment on that later but I have a few more things to say before I address that matter. Singaporeans perform well in retailing and they do not need 192 hours of training to improve their skills. Their attitude is based on the need to sell a product because they do not want to lose their job. That is the feeling one gets when buying a product from a Singaporean. They are keen for people to buy their goods; a customer is not confronted by the attitude, "You can just take it mate."

Hon Kay Hallahan: Do you not think it has something to do with the whole question of training to provide a service?

Hon D.J. WORDSWORTH: That does not come under training to provide a service. A psychological method is needed.

Hon Garry Kelly: You mean brainwashing?

Hon Bob Thomas: What about the bosses? Do they need to be trained? Are all bosses hardworking?

Hon D.J. WORDSWORTH: Two things make people work hard: Firstly, if their own money is involved and, secondly, the fear of losing their job if they do not work hard.

Hon T.G. Butler: That is an outrageous statement.

Hon D.J. WORDSWORTH: They are the two motivations that make a person work hard.

Hon Garry Kelly: What about increasing levels of stress?

Hon D.J. WORDSWORTH: SESDA does not deal with stress. I am only discussing the statements in the second reading speech. I am doing my best to explain it sentence by sentence because a lot of time has been put into the speech, which details the whole basis of this Bill. The second reading speech states -

The European transport industry now recognises a fifth dimension to the rail, road, air and sea transport network. This dimension is information, and it is dependent upon the skill and knowledge of employees about cost effective and timely forward freighting of goods.

How will 192 hours of training help the waterside workers of Australia? Australia is notorious for its poor waterside workers. There is a fifth dimension in the transport industry.

Hon T.G. Butler: What is so significant about 192 hours? That only applies to the Singaporean shop assistants.

Hon D.J. WORDSWORTH: Reference is made to it in the speech.

Hon Kay Hallahan: We will give you a crash course in reading.

Hon D.J. WORDSWORTH: I can deal only with the reasons I have been given for voting for this Bill. Were it to take 192 hours to train a Singaporean retailer, how long would it take to train Australia's waterside workers? It would take more than 192 hours.

Hon Bob Thomas: We have already started.

Hon T.G. Butler: Waterside workers have given a great deal to Australia.

Hon D.J. WORDSWORTH: The second reading speech also stated -

The message is clear: If Western Australia is to develop industries that are competitive, it is critical that we understand and develop the important relationship between a highly skilled work force and industry productivity.

Nobody will argue about that. The worker must realise that it is important to make this contribution for the success of the business in which he is employed. Australia has many skilled workers. I have visited the North West Shelf gas fields and met the skilled workers who have constructed a platform which is second to none. However, an industry can use those skilled workers only if it accepts all that goes with them: One has only to look at the awards unions have won for skilled workers and at some of the ridiculous conditions which have put their wages way beyond those of people carrying out comparable work in other countries. If a person can weld a pipe he can enter that industry and his wages will be twice that of a member of Parliament.

Hon E.J. Charlton: Three times if the Premier has anything to do with it.

Hon D.J. WORDSWORTH: There are skilled workers in Australia who are willing to work.

Hon T.G. Butler: There are a lot of people who are not skilled and we constantly hear cries from employers to import skilled people while we have pools of unemployed people. It just does not make sense.

Hon Kay Hallahan: That is a bit hard for Mr Wordsworth to appreciate.

Hon D.J. WORDSWORTH: It is not the training of those people that is the problem. The second reading speech then discusses the export oriented mining industry. It states -

during extensive consultation with the Chamber of Mines on this Bill, the chamber highlighted its view that high levels of investment in training had enabled the mining industry to maintain a competitive edge in world commodity markets.

It is good to see this coming from a Labor Minister. Is this the same industry which has not cottoned on to the need for safety? All sorts of nasty things have been said about the mining industry and its inability to cope with the safety of workers.

Hon Kay Hallahan: People have been dying.

Hon D.J. WORDSWORTH: Yes, people have been dying because, according to the Labor Party, the mining industry is incapable of understanding safety. There is a need to take safety out of the mining jurisdiction and to categorise safety for its workers differently. The Minister has said that the mining industry is the greatest thing since sliced bread when it comes to training.

Hon Bob Thomas: Could you say that again?

Hon D.J. WORDSWORTH: The second reading speech says what a marvellous job the mining industry has done in the matter of training.

Hon Kay Hallahan: That is a good thing.

Hon D.J. WORDSWORTH: I am not saying that it is not right, but that it is rather interesting that it involves the same group of people who are supposed to be so bad at organising safety for their workers. They are pretty efficient at both if the truth be known.

Hon T.G. Butler: That is not an argument for not having a skills development program.

Hon D.J. WORDSWORTH: The speech then deals with award restructuring and states -

The opportunity for all industries to achieve their full potential is now with us as this State faces the greatest challenge in its industrial history through the award restructuring process. Industry restructuring, combined with national and State wage case decisions . . .

It was not long ago that we were looking at the log of claims for the pastoral industry.

Hon T.G. Butler: Did you sign the letter of agreement?

Hon D.J. WORDSWORTH: It was said in that case that workers in the rural industry would receive \$1 000 a week, to be increased by a further \$1 000 if they could weld. What will happen in this situation?

Hon T.G. Butler: That is the immediate benefit of skills development training. The worker has gone from a jackaroo to a jackaroo welder and he can earn \$2 000.

Hon D.J. WORDSWORTH: He would get the extra \$1 000 a week for being able to weld and would receive it not only when doing the welding but also during the rest of the week if he were dagging sheep.

Hon T.G. Butler: That is right, he has acquired a new skill. I have explained that to you.

Hon D.J. WORDSWORTH: Mr Butler can say what he likes. It takes a lot of understanding.

Hon T.G. Butler: You led me to believe that you understood it.

Hon D.J. WORDSWORTH: The member may have to explain it again. It is hard to understand how a union which has created all this trouble will be the arbiter for training. The second reading speech further states -

We must position ourselves for the growth forecast for this State, by ensuring that rigidities in the training system and work force skill deficiencies do not constrain or impede opportunities for economic growth.

What is stopping economic growth? I think back to the building of the casino where workers had to wear distinctive coloured jackets depending on the union to which they belonged. Were an electrician to pass a ladder to another worker all of the workers would strike because that person dared to carry out a task to which he was not entitled, according to the jacket he wore.

Hon Kay Hallahan: Could we get back to the Bill?

Hon Tom Helm: What about building the pyramids? That would have been a good job.

Hon D.J. WORDSWORTH: Those workers certainly did not wear jackets coloured

according to the unions they belonged to. These things impede Australia's development. The Government delights in stating that there is a lack of skills, more money is required and a tax on business is necessary to cure all these problems.

Hon T.G. Butler: The Government is not saying that. It is time to coordinate skills development and training.

Hon D.J. WORDSWORTH: Mr Butler knows very well that is true. I know he is embarrassed about what happened when the casino was built.

Hon Kay Hallahan: I notice that Mr Wordsworth is smiling and he does not believe that. He is embarrassed by his line tonight.

Hon D.J. WORDSWORTH: Every worker had a jacket to wear according to his job.

Hon Bob Thomas: Do you know that on average two hours per worker per year is lost through industrial disputes, and that when we came to power that figure was eight hours per worker per year?

Hon D.J. WORDSWORTH: That shows that the colleagues of members opposite have organised more strikes against a Liberal Government than against their own.

Presently, this country is attempting to create more exports. The meat industry is the second major exporting industry in Australia. When we had a surplus of sheep and those sheep had to be slaughtered, the unions stopped importing seasonal workers from New Zealand; that was the unions' attitude towards exports. The meat industry in Australia is different in that five shifts are worked a week; in the United States of America, 12 shifts are worked a week. In other words, two shifts are worked each day for six days instead of one shift each day for five days. One must be careful when talking about shift work because the meat industry is notorious for working what is called "DARG" - that is, limiting the amount of work a worker does in a certain time. Most abattoirs by 2 o'clock have worked a day and a half. Those are the sorts of practices which hold up progress in Australia; retraining is not the be all and end all that the Government tries to make out.

The meat inspectors at the Mudginberri abattoir in the Northern Territory blocked the entrance to the abattoir and held up that business for six months. That was not a matter that involved training; it was a matter of union unrest. The sooner the Government looks at that sort of situation the better.

The second reading speech also states -

The Federal Government and the larger industries of the Eastern States are already putting into place training reforms and arrangements to address their needs . . .

That is another way to blame someone else. The second reading speech continues -

History has shown that the vested interests of the larger and more powerful States will always dominate national forums . . .

That is utter rubbish. Further on the speech states that a national training board has already been formed; it has met three times; that board will shortly consider national skills standards in the hospitality industry; and that unless Western Australia gets into the act quickly we will not take account of this State's specific requirements. I wonder what are this State's specific requirements in the hospitality industry. An examination would find that the same sorts of tourists from overseas come to Western Australia and to the Eastern States. Training in the hospitality industry already is carried out by TAFE. When talking to people in that industry, it is obvious they consider that training to be a failure. If one went to Geraldton and asked people in the motel industry how many people had been trained at TAFE to make beds one would find the answer would be very few.

I turn now to funding for SESDA. The speech states -

The Australian training guarantee will result in a levy on those industries with payrolls in excess of \$200 000 which are unable to demonstrate eligible training expenditure in excess of one per cent of their payroll.

At present, that limit is at \$200 000, but it will not be too long before we move into other industries. I wonder how small businesses will be able to prove they are training employees. In my small business operations in Esperance I employ a farm manager who is about 50

years of age, another employee aged 19 years, who started off as a mechanic at age 18, and another youth aged 16. I am training these two young people and they should be very successful. I wonder, with the size of my business operations, how I will show that one per cent. Do I take photographs of every bent gate and every piece of machinery my young employees have broken? Young people seem to have an ability to break anything and everything they touch; that is part of the problem and employers must put up with that. That is the difference between young people and older people. One could not say that one is not training those youths by allowing them to use equipment. I am sure that my farm manager, who is an excellent person, gained experience the same way. I did, I recall, at the age of 18.

Hon J.M. Berinson: You were never 18, Mr Wordsworth.

Hon D.J. WORDSWORTH: My employer's car, which I was driving, was hit by a horse and cart and the mudguard of the car was dented; he was not too happy but as I was being paid only £1.10.0 a week I considered he could hardly complain.

The second reading speech continues -

The State Government has strongly supported the idea of an increased investment by industry in training but has serious concerns about the impact of the Australian training guarantee. The State Government's expressed preference has been for an industry by industry approach, where industry itself devises arrangements to increase the level of training investment in a manner which suits the characteristics of the industry concerned.

That is interesting because it is exactly the opposite to what was predicted. Earlier we talked about getting in on the Australian training guarantee scheme, but later on the Minister said this State should do its own thing. The Minister's speech states that the proposed building and construction industry training fund is a case in point. I do not know a lot about the building industry but I understand that the system introduced to train bricklayers has been a failure. I refer to training at TAFE. The way to learn how to lay bricks is to attend an industry scheme where the brick manufacturers have devised a course. Firms have found that is the only way they can ensure the continued sale of bricks. Such courses are run by firms within the industry; they have nothing to do with the Government. Perhaps the right way to train employees is for the employer to recognise the need for training and do something about it.

The reason the Government does not want the Australian training guarantee is that it provides for licensed industry training agents which are bodies established by regulation. I do not blame the Government for not wanting that. How could the Government licence and register every body in every way to train and retrain? Once again, one can only recall one's own experience. About a year ago, one of the many training groups set up by the State Government ran a course at Mt Barker to train persons in computing in only three days. What good a three day course would do is hard to imagine. I am sure that most people who attended the course - and they were supposed to be unemployed - did little more than play with the computer. One can learn in many ways how to operate a computer. I decided I was not to be left behind in the computing field; computing is now taught in schools, and older people should keep up with the times. I bought myself a computer and set out to learn how to use it by studying. No-one has spent as much as an hour with me teaching me how to operate the computer. I ended up inventing my own program. Last Sunday night between 8.00 pm and 2.00 am, I printed all the information for my income tax return for this year. This document comprises 100 pages. I wonder how many people in this Chamber have their income tax return already prepared for presentation to the income tax department. This return involves an industry with half a million dollars turnover with some 600 business transactions. It just shows that one does not require a training course to do this sort of work, because it will be done with the incentive of making a buck and by making one more efficient. That is a better idea than having SESDA.

I refer to a section of the second reading speech which gets to the crux of the matter. It states that the Government wants a tripartite training structure. Therefore, the unions which have caused so much trouble in the workplace are suddenly about to become snowy clean and train the unemployed and retrain people so that one person can do the job of two - this will happen in some instances. I think back to the occasion on which expansion took place in the gold mining industry and the industry was short of people who operated the engines that took

the cable around the mine head to the elevators. The unions limited the number of people who were allowed to be trained in that field. However, now we are to believe these unions will suddenly be part of the training authority. I hardly believe that unions, which have set a poor example in the past, should be part of the retraining authority.

The second reading speech indicates that 130 boards, committees and unions have responsibility for various elements of vocational training in this State. We were told in the agricultural area to "get big or get out", yet this did not work. If the State is so sure that a big authority will improve the situation, why has the Government allowed these 130 bodies to be established? Many of these groups were established under Premier Dowding, as he was the expert on retraining two years ago. The Government is stating that not only will the State bring these groups together, but also it wants the Federal organisations to be formed into one big organisation. However, that will not be the cure, as we now see in socialist countries which have moved in the other direction; that is, they are referring the decisions back to the people. In this case the decisions should stay with those in the workplace because that is the area most suitable for training.

The solution is not to add another tax, which will initially involve a one per cent imposition. We already have had to sustain taxes and a three per cent levy with superannuation, and now we see the imposition of a training tax. The Government is saying, "Let us have another tax on industry for then we can become an industrial country with all the resulting skills." The Government has found a new way of taxing big industry to take the weight off the shoulders of the public; in this case industry will face a special tax to carry out activities previously performed by the civil purse.

The amalgamation of these bodies into one authority is not the solution. A change in attitude to work is what is required, and the best way to change the attitude to work is by affecting the hip pocket. Unfortunately, what seems to be happening in Australia is that we have slowed down in accordance with union rules and union-caused strikes whenever required. It is amazing that migrants come to this country with a different attitude to work, yet in no time they seem to develop this union mentality.

Having attended Stanford University, I received a magazine from that institution which contained an article about manufacturing efficiency. The people who wrote this article were trying to make American industry more efficient, as it is claimed that this Bill will do for Western Australia. A few experts were sent to Japan to discover how Japan was able to beat America at making automobiles. Until recently America was the most efficient car manufacturer in the world. A delegation was sent to study how it was done in Japan, and they found that the Japanese were computer programming parts of every vehicle so that they came together at the exact time required on the production line on the factory floor. In this way they did not have to have a warehouse full of parts or to sort the parts out as they were required. This saved capital because they did not have to invest money to warehouse parts. The Americans thought that this was terrific, and were about to return to America to report on how the manufacturing was done in Japan. As they were leaving they saw a huge warehouse. Upon inspection they discovered that this was full of car engines, and this baffled the Americans. They inquired into the need for the warehousing of these engines and the Japanese explained that they were Australian engines.

The Japanese had an agreement with the Australian Government that they could export complete cars to Australia if they would buy some Australian parts - these parts were the engines. The Americans stated that they had seen how the parts were brought together, so they did not understand why a warehouse full of engines was needed. The Japanese said that it was necessary because the Australians were always on strike and it was necessary to store them up in a warehouse to keep the production lines going. That example gives a better clue as to why Australia is not a great manufacturing country, as it indicates that the unions are endeavouring to run this country.

I do not have much faith in SESDA. I do not believe that it has the ability to change Australia's direction. I have presented a view which is quite different from anyone else's in the Chamber, but I assure members that a large percentage of Australians hold the view I have expressed - that particularly applies to those to whom the one per cent tax will apply.

Debate adjourned, on motion by Hon Fred McKenzie.

COMMITTEES FOR THE SESSION - STANDING COMMITTEE ON LEGISLATION

Director of Public Prosecutions Bill - Report Tabling

On motion by Hon Garry Kelly, resolved -

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

[See paper No 383.]

MINING AMENDMENT BILL

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendments requested by the Council.

BILLS (4) - RETURNED

1. Reserves and Land Revestment Bill
Bill returned from the Assembly with amendments.
2. Collie Coal (Western Collieries) Agreement Amendment Bill
3. Justices Amendment Bill
4. State Planning Commission (Amendment and Validation) Bill
Bills returned from the Assembly without amendment.

COMMERCIAL TENANCY (RETAIL SHOPS) AGREEMENTS AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon J.M. Berinson (Leader of the House), read a first time.

Second Reading

HON J.M. BERINSON (North Metropolitan - Leader of the House) [9.44 pm]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to amend the Commercial Tenancy (Retail Shops) Agreements Act of 1985. A study of the Act and background material shows clearly that when the Act was introduced the Government was committed to an approach that would redress the obvious imbalance of negotiating power between many landlords and tenants, but to do so without undue or overly prescriptive intervention into commercial transactions. However, an assurance was given in the course of the Act's passage through Parliament that leasing practices would continue to be closely monitored. This has been done, and in order to achieve the intent of the Act appropriate amendments have been considered necessary.

Since the introduction of the Act there clearly has been an improvement in many areas of leasing practice addressed by the Act. However, due to the innovativeness of some landlords and tenants new practices have been developed and, in some cases, the intent of the legislation has been circumvented. There are also a few areas in which the Government's desire to minimise regulatory intervention has resulted in the Act's becoming less effective than anticipated. Consistent with the Government's policy of providing adequate opportunity for comment by interested parties, these issues which have caused some concern within the retail industry have been canvassed with landlord and tenant groups and others during the process of formulating the recommendations upon which the amendment Bill has been framed.

The cornerstones of this legislation are the provisions which facilitate the exchange of information. This is particularly so for information from landlord to tenant during the initial stages of lease negotiations. Also there are provisions which establish procedures for disputes to be resolved by conciliation. Each of these areas is addressed in this Bill to improve compliance.

Amendments will also improve the security of tenure of a lessee or an assignee in the event that the leased premises are sold by the landlord. This will be done by redefining the term "landlord" to include a person who has a reversionary interest in the premises. The effect will be that when the leased premises change hands, the new owner steps into the shoes of the landlord and will assume the same obligations under the lease.

Tenants in certain petrol service stations will be brought under the provisions of the Act. Presently petrol stations owned by oil companies and leased under a franchise agreement are regulated under Federal Government legislation. However, petrol stations leased from independent owners are not addressed under Federal legislation and until now have also been excluded under the Commercial Tenancy (Retail Shops) Agreements Act. This was originally done because it was considered more appropriate to include them under the ambit of the Federal legislation. Representations made by the State Government to the Federal Government failed to achieve that result. Consequently, as there is no valid reason why retail tenants in these service stations should be treated differently from other retail tenants, they will be brought under the ambit of this Act.

An important amendment will stop the trend towards landlords requiring tenants to pay into sinking funds in connection with costs associated with construction, extension and structural improvements to a shopping centre. These funds, which have been a cause for growing concern, are quite distinct from expenses incurred by landlords and legitimately charged to tenants in respect of general operating and maintenance outgoings.

Experience has shown that the lack of compulsion for parties to attend conciliation conferences called by the commercial registrar has resulted in few disputes being settled in this inexpensive and quick manner. It is in everyone's interest to ensure that this system is effective and the registrar will therefore be given power to call conciliation conferences at which disputing parties will be compelled to attend.

A few of the proposed amendments covered by this Bill simply spell out, in clearer terms, what was originally intended. They may be considered as improvements in the drafting to obviate any difficulties that have been experienced in the interpretation and administration of the Act. Others will be seen as impacting more heavily upon unreasonable leasing practices. However, the tenor of the Bill is to maintain an evenhanded approach with adequate attention given to the position of landlords as well as tenants. For example, a provision in the Act prohibits a landlord from charging a tenant key money or from sharing in the goodwill payment a tenant may receive when selling the business. Amendments in these areas of the Act will reinforce that intent and will additionally recognise that a landlord may sell a business that he or she has been operating on his or her own premises and should, in such circumstances, be entitled to receive a goodwill payment. Similarly, just as a landlord will be obliged to advise a tenant of his or her intentions concerning renewal of a lease, the tenant, should he or she wish to renew on the conditions offered, will need to advise the landlord of his or her acceptance of the renewal offer.

There has been evidence of a growing disharmony in the retail sector due to rental escalations and the methods by which market rentals are established. As an enhancement of provisions contained in the Act, an amendment will provide that, upon request and payment of a fee to the person who has determined the market rent, the person shall provide reasons for that decision in writing. A further provision which sets out a fair method for determining market rent, as proposed in the Clarke inquiry, will have mandatory application.

It is my firm belief that this Bill will result in a more harmonious retail sector because it satisfies the major remaining concerns of the tenants without adversely affecting the legitimate interests of reasonable and fair-minded landlords.

I commend this Bill to the House.

Debate adjourned, on motion by Hon George Cash (Leader of the Opposition).

TOBACCO BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Planning), read a first time.

Second Reading

HON KAY HALLAHAN (East Metropolitan - Minister for Planning) [9.48 pm]: I move -

That the Bill be now read a second time.

This is the second time this Bill has been introduced into this Parliament. The Tobacco Bill 1989 was extensively debated in another place during the last session. Members will be aware, however, that Opposition members in this House obstructed the completion of its passage by refusing to have it reintroduced onto the Notice Paper. The Bill now before us represents the earlier Bill, as amended following debates in another place, together with some minor amendments, which are mainly technical.

The Government's intention to introduce comprehensive legislation to reduce smoking and promote health has been a part of its policy for several years. This Bill fulfils policy goals and objectives which the Government has held since it came into office in 1983 with a strong commitment, vigorously championed by the then Minister for Health, Hon Barry Hodge, to reducing smoking in the community. The current proposals reflect recommendations made by the World Health Organisation, the International Union Against Cancer, the Australian Medical Association, and many other authoritative international and national health agencies.

The background to this Bill can be simply set out. Smoking is the largest single cause of preventable death and disease in the community. Nationally, it causes some 20 000 deaths each year. In Western Australia alone, more than 1 700 people die prematurely each year because they smoked. They die from lung cancer, heart disease, bronchitis, emphysema, and many other conditions. Smoking is also responsible for much ill-health and suffering to both smokers and their families and smoking is also a drain on the economy. Reliable estimates show that the cost of smoking through health care costs, absenteeism from work, and other factors was, even in 1984, well over \$2.5 billion annually in Australia, and upwards of \$200 million each year in Western Australia. This year the health care costs of diseases caused by smoking will be \$112 million, rising to \$146 million in 1992-93. The younger people start to smoke, the greater their risk of contracting diseases caused by smoking; and, tragically, more than 80 per cent of smokers start their habit while they are still in their teens, or younger. In this State, approximately one quarter of young people are smoking regularly by the age of 15, well before they can understand the dangers of smoking or its addictive properties.

Members of this House are rightly concerned about problems such as illicit drug use and AIDS. These are both areas in which the Government can be proud of its record, at least partly as a result of which in 1986 there were only 38 deaths from all illegal drug use, including opiates, barbiturates, tranquillisers and sedatives, and in 1988, eight deaths from AIDS. Smoking causes more than 1 700 deaths each year. This is a problem we must attack with at least equal urgency.

In response to the epidemic of diseases caused by smoking, the Government has long been regarded as a leader nationally and even internationally. In 1983, it established the smoking and health project, which speedily became known as the Quit campaign. It has also been in the forefront of national initiatives to improve labelling on cigarette packs and to prevent the use of smokeless tobacco from causing the same problems here that it has caused overseas. The work of the Quit campaign has met with remarkable success despite formidable opposition. Smoking is declining among adult males and females, and even among young males. Regrettably, but hardly surprisingly in view of the way tobacco advertising has targeted this group, smoking is still increasing among young women. During the Quit campaign, more than 120 000 adults gave up smoking. At a conservative estimate, and discounting its impact on young people, the Quit campaign has been responsible for preventing the premature deaths of more than 7 000 Western Australians. It is a reflection of this State's reputation that materials from our Quit campaign are used in every other State, and in several other countries. Western Australia was selected from 10 contending countries to host the Seventh World Conference on Tobacco and Health, which took place in Perth in April this year. The conference was attended by 1 000 people from over 70 countries and was co-sponsored by the World Health Organisation, the American Cancer Society, the International Union Against Cancer, Europe Against Cancer and the International Organisation of Consumers' Unions. Western Australia was applauded at the conference as an international leader in smoking control, education and policy.

However, all this activity has been in the face of continued promotional activity by the tobacco manufacturers, whose advertising budgets are vastly greater than ours. Tobacco advertising has been cynically and ruthlessly directed at all sectors of the community, and particularly in recent years at women and young people. Cigarettes are advertised not only through advertisements and hoardings, but also through sponsorship of sport and the arts, and a wide range of other outlets. The cigarette companies, all now controlled from outside Australia, have become adept at finding ways of circumventing restrictions and continue to advertise cigarettes in a manner designed to present them as an attractive and essential adjunct to a normal and healthy lifestyle. The tobacco companies claim that their advertising is designed to affect only brand share - a claim properly described by the Prime Minister of Ireland as "idle, useless, silly, and nonsensical" and contradicted on occasion even in the tobacco industry's own trade publications. For example, the magazine *Tobacco International* asserted in 1987 that, "The rise in cigarette consumption is basically due to advertising." A spokesperson for the Gallaher Tobacco Company has commented that sports sponsorship "is a form of advertising which enables us to introduce glamour and excitement". The general manager for Hong Kong of British American Tobacco, which now runs the Wills Tobacco Company in Australia, said of sponsorship -

We are not handing money out for nothing. We have gone into this very thoroughly and the entire JPS (John Player Special) publicity is built around the motor racing scene as a fast, exciting, trendy sport for the young . . .

Despite this, the tobacco companies claim that their advertising is not directed towards young people. I doubt if anyone seriously believes that. Of course, they have to replace smokers who are giving up or dying. There is ample evidence from around the world that children notice and are influenced by cigarette advertising and sponsorship. If anyone were in any doubt about the way cigarette advertising targets young people, they need only have attended the 1989 Royal Show at the Claremont Showgrounds, where they would have seen children queuing up for rides on the Winfield chairlift. Currently in Western Australia, more than 100 000 school children are regular or experimental smokers. If we allowed present trends to continue 54 000 young people now under the age of 19 would die prematurely because they were smokers.

The tobacco industry and its supporters also argue that voluntary codes will suffice to control cigarette advertising. There is again overwhelming experience to show that the tobacco manufacturers simply cannot be trusted to adhere to voluntary codes. The position on voluntary codes can be summarised as follows: "If we were starting fresh, I would say the first line of action would be industry self-regulation of advertising. But we have witnessed a charade of purported self-regulation for some years. The codes of self-regulation have been largely ineffective, and I see little hope for change." These words are not mine but those of the late Senator Robert Kennedy in 1967. His comments are as true now as they were then, when he also called for an end to cigarette advertising with the ringing indictment, "The cigarette industry is peddling a deadly weapon. It is dealing in people's lives for financial gain."

Small wonder, then, that there have been calls for further action. The Australian Medical Association and many other bodies have urged this Government to take even stronger action, and we have been impressed by the representations made to us. We have been impressed also by the pioneering legislation introduced first in Victoria and then in South Australia which provides a solution to the problem of how one phases out cigarette sponsorship of sport without depriving the sponsored sports of the funds on which they have come to rely. The Commonwealth Government has now also passed legislation prohibiting cigarette advertising in the print media. This legislation complements that of the Commonwealth. This Bill at last ensures that we in Western Australia are taking a comprehensive approach towards reducing smoking, as well as providing for substantially increased funding in areas where it is much needed.

I will set out briefly the main features of the Bill in two main categories - controls relating to promoting and marketing tobacco products, and the establishment of the Western Australian Health Promotion Foundation. First, controls relating to tobacco products: This Bill introduces a phased-in ban on tobacco advertising in most places. It will prohibit the display of tobacco advertisements in public places, cinemas, and other places of entertainment; distribution to the public of leaflets and similar documents, and of objects such as cigarette

lighters containing tobacco advertising; and the sale or hire of objects such as videos which contain such advertising. As a result, advertisements on billboards and in similar public places will ultimately be prohibited. Advertisements for tobacco which are contained in the print media that are printed, produced or distributed in Western Australia will also be banned. An exception is made for constitutional reasons in the case of Eastern States-produced newspapers and books, but these will now in any case be picked up by the Commonwealth legislation. Although cigarettes may not be advertised in public places, shopkeepers may advertise their tobacco wares appropriately inside their stores. The Government will phase in restrictions on outdoor advertising from 12 months after the Act is proclaimed through to June 1994. We have discussed these issues with the main outdoor advertisers and given them appropriate assurances. The phasing-in arrangement will include restrictions on paper posters and illuminated signs. The legislation provides that there is sufficient flexibility to meet the commitments we have given to the Outdoor Advertising Association of Australia, and to preclude any hardship for this industry. I should also note the Government's commitment to ensure that some of the billboards which currently carry tobacco advertising will be replaced with health advertising. This has occurred in both South Australia and Victoria, where some hoardings carry the message, "This poster has given up smoking, and it feels great." Distribution of free samples will be prohibited under the Bill immediately, and competitions promoting tobacco will be prohibited after six months.

The legislation bans tobacco sponsorship of sport, the arts and similar activities. This ban does not apply for 12 months to contracts of sponsorship entered into before the proposed Act comes into force, or if an exemption is granted. Clause 15 provides for exemptions in relation to sponsorship and advertising of tobacco products generally. Exemptions can be provided for events of national and international significance. These exemptions will be granted by the Minister for Health following consultation with the Minister for Sport and Recreation or the Minister for The Arts, as appropriate. The exemptions will not be lightly granted, but will ensure that sports such as cricket, where there are events of clear national and international significance, and horseracing, which is of little appeal to children, can receive appropriate consideration.

The Minister may also grant exemptions at his discretion where significant hardship would result from the application of the advertising and sponsorship ban. It is intended that these hardship exemptions may be granted up to the middle of 1994. Particular preference will be given to arrangements in force before the proposed Act is proclaimed for which exemptions will be available in cases of hardship. However, hardship to tobacco manufacturers or wholesalers will not be a criterion for exemption.

I shall discuss replacement of tobacco sponsorship by the Health Promotion Foundation shortly. Present legislation covering labelling of tobacco products and their health warnings is incorporated into this legislation. The Bill also, however, makes it an offence to sell cigarettes loose or in packets of less than 20, as these are particularly attractive to young people. This will come into force after six months. The current law in this State prohibits sales of tobacco products to persons under 18 years of age. The Bill increases the penalty for illegal sale to minors from the present outdated \$40 to \$1 000. This will come into force immediately.

Vending machines containing tobacco products will be permitted only on premises licensed to sell liquor, or in areas set aside for staff amenities. They will have to be clearly labelled with appropriate health warnings. This provision will apply after six months. Present laws which prohibit the sale of smokeless tobacco, with certain exemptions, are to be incorporated into the Bill unchanged through regulation.

The Bill also bans after six months the manufacture and sale of confectionery resembling tobacco products. This is an issue on which we receive many complaints from parents and teachers. We have also amended the Bill to deal with toy cigarettes. During the debate last year such a component of the Bill was proposed from the Opposition benches. The Minister for Health undertook to consider this and it is now included in the Bill. As noted above, exemptions may be provided under clearly specified conditions, taking into account particular circumstances relating to events or hardship to persons other than tobacco manufacturers and wholesalers.

Penalties for breaches of the Act will be substantial and include provision for daily penalties

to be imposed for continuing breaches. The penalties are fines of up to \$5 000 for an individual and \$20 000 for a body corporate for a first offence, with maximum penalties of \$10 000 for individuals and \$40 000 for bodies corporate for subsequent offences. Surveillance of the Act will be carried out not by any new bureaucracy but with the assistance of health surveyors. We will discuss this aspect with local government and I am already advised that health surveyors are in general very willing to provide assistance in this regard.

The second major component of the Act relates to the WA Health Promotion Foundation. This is one of the most exciting developments in the health arena for many years, and much credit is due to those in Victoria who initially developed such a proposal. I might also note that equal credit is due to the politicians in Victoria who have been willing to support tobacco legislation and the Health Promotion Foundation on an all-party basis. I trust that such a positive approach, which reflects public health concerns rather than partisan point scoring, will be echoed in this debate. The WA Health Promotion Foundation will be established with committed Government funding of \$5 million for the 1989-90 financial year and the Government is committed to funding for the foundation of at least \$9 million annually thereafter.

Hon Max Evans: How are you going to do that?

Hon KAY HALLAHAN: I will inquire about it. The funds for the Health Promotion Foundation will be raised from an increase in the State tobacco licence fee from 35 per cent to 50 per cent of wholesale retail value. The remainder of funds generated from this increase will be devoted to dealing with the health care costs of diseases caused by smoking.

The foundation will have the following functions, with a particular focus on youth: It will fund activities related to the promotion of good health; it will offer alternative sources of funds to sporting and artistic activities currently sponsored by tobacco companies; it will sponsor a wide range of sporting, recreational and artistic activities which provide an opportunity to advance important health promotion campaigns; it will provide funds for the encouragement of healthy lifestyles in the community and support activities involving participation in healthy pursuits through grants and sponsorship; it will assist community organisations to promote good health and it will fund research in areas related to health promotion, and otherwise in furtherance of the foundation's activities.

The foundation will be able to replace all the funds and more provided by the tobacco industry to sport and the arts. The best information available to us is that sponsorship funds provided to sport and the arts in Western Australia by the tobacco industry total somewhere between \$1.5 and \$1.7 million annually. Sporting and cultural organisations which have received tobacco sponsorship in the past will be able to apply to the foundation, which can in turn provide alternative funds to replace the tobacco sponsorship funding. The replacement funding will not be provided without some return; the sporting and artistic organisations will be expected to provide ample opportunity for the promotion of health messages. However, of course, the foundation will have much more money available to it than is required solely for the replacement of cigarette sponsorship. This will provide a remarkable opportunity for sporting, cultural, community and health organisations to seek new funding for worthwhile projects.

The Bill provides that at least 30 per cent of the funds available should go to sporting activities, and at least 15 per cent to arts and cultural activities. However, no single area, whether sport, the arts, or health, will be able to garner more than 50 per cent of the funds available. One crucial component of the Bill is of course that the foundation should evaluate its work and report on its effectiveness. We have also provided for a full review after a five year period.

The administration of the foundation will be by a director and minimal staff located outside the Public Service. Perhaps crucial to the effectiveness of the foundation will be its membership. Following much consultation with organisations in the areas of health, sport and the arts, the Bill provides for membership of the foundation to comprise 11 members, with representation from outside Government always outnumbering that from within Government. There will be an independent chairperson appointed by the Premier. In this regard Mr Harry Sorensen, OBE, the former Chief Executive Officer of the Challenge Bank, has agreed to take on this task. Mr Sorensen's credentials will be well-known to the House.

He has recently retired from his position at the Challenge Bank; he has received various awards for his services to the community; he is the new Chancellor of Curtin University; and he currently sits on or chairs major committees in all of the areas covered by the foundation, namely health, sport, the arts, and community activities such as the newly established poverty task force. He also has the integrity and business experience which will make him an outstanding chairman and will guarantee the independence of the foundation.

There will also be nominees from organisations representing health, sport, the arts, and local government. The relevant organisations are the Australian Medical Association, the WA Sports Federation, the WA Sports Council, the WA Association of Professional Performing Arts, the Australian Council on Smoking and Health, and the Country Shire Councils Association, representing the interests of country sport. Additionally, there will be the chief executives of the Health Department, the Ministry of Sport and Recreation, the Ministry of the Arts and the Bureau of Youth Affairs. The foundation will be established as speedily as possible, and I have no doubt that within a very short space of time it will be seen as a major new force for good in the community. Indeed, many organisations have already prepared or are preparing submissions to the foundation for funding in the coming financial year.

That is what the Bill achieves. Let me briefly set out what the Bill does not do, as some misunderstanding has been generated by tobacco interests. The Bill will not immediately ban tobacco advertising and promotion through billboards, the print media or sponsorship. There will be suitable phasing in periods and adequate scope for exemptions where necessary, particularly in relation to bona fide contracts and arrangements entered into before commencement of the legislation.

The Bill will not stop any shopkeepers from selling their tobacco products. The Bill will not fail to provide sufficient money to replace tobacco sponsorship: There is more than four times the amount necessary available. The foundation will not put all its money into sport, the arts, health, youth, or any other category. There will be a fair and reasonable division on the basis of commitments made in the Bill and decisions made by the foundation. The foundation will not be a Government lapdog: It will have a majority of independent members, and a chairman of great integrity and distinction.

The Bill will not introduce dramatic new measures that have not been introduced elsewhere. Indeed, it is less restrictive than much of the legislation banning tobacco advertising in more than 20 other countries, including such bastions of free society as Finland, Norway and Canada. The Bill does not infringe on any freedom other than that of the manufacturer to promote a known carcinogen.

The Bill is also not the first domino in a series which will apply a similar approach to alcohol, chocolates, sugar or any other product one can think of. It deals with tobacco, and tobacco only. In this context, and lest there be any misunderstanding, I would note that the Premier's recent calls for curbs on alcohol advertising rightly drew attention to the need to curb alcohol advertising on television. Television advertising is, of course, a Federal responsibility, and we are not proposing any action on alcohol at the State level along the lines of that proposed for tobacco. The argument that, "It is legal to sell cigarettes, it should be legal to advertise them" is also illogical. First of all, it is not legal to sell cigarettes to young people - nor should it be legal to advertise to them. Second, there are many occasions, as with pharmaceutical products, where it is widely recognised that a product can and should be legally sold but it may not be advertised.

Since we announced our intention to introduce this legislation we have been overwhelmed with support. We have received letters and phone calls of support from a wide range of organisations. These include, as one might expect, organisations in the health arena; but also sporting, artistic and community organisations. Some of these have even supported our proposals through advertisements in the media. We have also measured public opinion, not with loaded propositions but with simple and straightforward questions. We find that public opinion has remained absolutely solid. There has been no reduction in the level of support, even at times when the tobacco industry was advertising heavily against us. There is 72 per cent support for a ban on tobacco advertising, and 71 per cent support for a phasing out of tobacco sports sponsorship if it is replaced with money from increased tobacco tax.

I believe this Bill will do more to benefit the health of the community than any other single measure to have been implemented in recent years. I have no doubt that some people will

simply present the tired old arguments of the tobacco industry, and its desperate campaign for "freedom" for a company to promote its lethal product. I believe also that most members of this House will share my belief that this should be a genuinely non-partisan issue in which we all seek to benefit the health of the community. As I have already mentioned, we have been gratified by the high level of public support for the Bill. It is of overwhelming importance to the community.

It is pertinent to conclude by reading one of the major conference resolutions of the seventh World Conference on Tobacco and Health held recently in Perth. The conference resolved to -

urge all political representatives to support tobacco control initiatives on a non-partisan basis in recognition of the fundamental importance of these initiatives to public health.

It is on this basis that I commend the Bill to the House.

Debate adjourned, on motion by Hon Max Evans.

REGISTRATION OF BIRTHS, DEATHS AND MARRIAGES AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon J.M. Berinson (Leader of the House), read a first time.

Second Reading

HON J.M. BERINSON (North Metropolitan - Leader of the House) [10.13 pm]: I move -

That the Bill be now read a second time.

The purpose of this Bill is twofold. Firstly, it will enable the implementation of structural changes within the Registrar General's Office, which were recommended as a result of a functional review report, by providing for the appointment of a second Deputy Registrar General. Under new management proposals, one Deputy Registrar General will be responsible for financial and administrative matters within the Registrar General's Office while a second Deputy Registrar General will have the responsibility for the operational or functional areas of the Office. Both will report to the Registrar General. An existing position has been abolished to enable the creation of this new position. The new management structure, in conjunction with mid level management change and a reorganisation of work methods, addresses the deficiencies identified by the Functional Review Committee. The Bill also provides for future appointments of the Registrar General and Deputy Registrars General to be made under the Public Service Act in lieu of them being made by the Governor, thus bringing these appointments into line with most other public service appointments.

The second purpose of the Bill is to provide the means by which the Registrar General may register the births of people born in this State whose births have not previously been registered. Under the existing registration system, which is set out in the Registration of Births, Deaths and Marriages Act, it is necessary for the parent of a child born in the State to furnish to a district registrar, within 60 days of the date of birth, the information required for registration. If the birth is not registered within 12 months of the date of birth, the birth cannot be registered without the written authority of the Registrar General.

While the Registrar General is required to register every birth, it is clear that at present he can only register it if he has sufficient evidence of the required particulars. Those particulars include the name, date of birth, place of birth, sex of the child, particulars relating to the parents, and a witness to the birth. Where that information is not provided by the parents, or the occupier of the place where the birth takes place, difficulties arise as to the sufficiency of the evidence as to those particulars.

There has been an increasing awareness of people, particularly those now over 30 years of age, who are put to inconvenience and embarrassment when not able to produce a birth certificate. These people are not able to produce a birth certificate because, in most instances, their births have not been registered and because it is not possible to now obtain sufficient information to satisfy present registration requirements. This Bill gives temporary

provision to overcome the problem of a person who is unable to obtain the evidence of a parent or the occupier of the place in which his birth took place by enabling such person to supply necessary particulars of his own birth and for these details to be verified by evidence sufficient to satisfy the Registrar General of the authenticity of such information.

The Bill also includes some ancillary provisions as to the action required by the Registrar General to establish that the birth has not previously been registered in this State or another State or Territory of the Commonwealth. Registration under the proposed new provisions will be only on the written authority of the Registrar General. Any person aggrieved by the decision of the Registrar General will have the right of appeal to the Minister for Justice. It is proposed that the special provisions will operate only for a period of two years following the coming into effect of the amendment.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Derrick Tomlinson.

ACTS AMENDMENT (CHEMISTRY CENTRE (WA)) BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon J.M. Berinson (Leader of the House), read a first time.

Second Reading

HON J.M. BERINSON (North Metropolitan - Leader of the House) [10.16 pm]: I move -

That the Bill be now read a second time.

This Bill proposes to reflect the change in name of the Government Chemical Laboratories to Chemistry Centre (WA) in all legislation where it appears. I commend this Bill to the House.

Debate adjourned, on motion by Hon N.F. Moore.

BUILDERS' REGISTRATION AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Planning), read a first time.

Second Reading

Leave granted to proceed forthwith to the second reading.

Hon KAY HALLAHAN (Minister for Planning) [10.18 pm]: I move -

That the Bill be now read a second time

This Bill deals with amendments to the Builders' Registration Act and covers a number of matters, including increasing penalties under the Act, providing protection for board officers acting in good faith, extending the operations of the Act to the Geraldton and mid-west region, and revamping of the provisions in relation to the keeping of a register by the board.

The relevant penalties under the Act were last reviewed in the mid-1970s. Since then inflation has rendered the punitive intent of the fines ineffective, and considerable increases are now required to make the fines a deterrent to errant builders and owners. During the past 12 to 18 months, a considerable degree of unregistered building activity and licence lending has occurred. Prosecutions are not succeeding as a deterrent. Should these practices continue unabated they will have serious financial consequences for consumers who have unwittingly entered into building contracts. Should builders perceive that the penalties invoked for not complying with an order or direction of the board are minimal, they will not hesitate to ignore the requirements of the legislation. The penalty for unlicensed builders has been increased from \$400 to \$10 000, and the penalty for persons who obtain a building licence by making a false representation to a local authority has been increased from \$400 to \$10 000. The penalty for selling an owner-built property within three years has been increased from \$1 000 to \$10 000, in line with increases in other sections of the Act.

The provisions in regard to the keeping of a register by the board have been substantially

amended. Section 9 of the Builders' Registration Act currently provides that the board shall publish a copy of the board's register of builders, or supplementary lists of alterations, additions and removals, in the *Government Gazette* in July of each year. This amendment Bill provides that there is now no requirement to publish the register in the *Government Gazette*. However, a complete register will be maintained by the board. The board will publish a notice in the *Government Gazette*, no later than 31 August in each year, advising that a copy of the register is available for public viewing or purchase at the board's office. The register will be able to be inspected free of charge, and certified copies made available to the public upon payment of a prescribed fee. A certificate can be obtained which will indicate whether a person is a registered builder. The amendments will also allow the board to progressively update the register at its meetings. The Bill also extends the operations of the Builders' Registration Board to the districts of the City of Geraldton, Shires of Greenough, Chapman Valley, Irwin and Northampton. It has been the policy of this Government to gradually extend the operations of the board to major regional centres. The board's operations were extended to Mandurah in early 1984 and to the City of Bunbury, Shires of Busselton, Collie, Dardanup, Harvey and Murray, in September 1986. This particular extension resulted from a willingness by local builders in these areas to endeavour to improve and maintain the local image of the building industry and also to enhance consumer protection.

There has been extensive consultation with the local government authorities involved and with local builders. A regional advisory committee was set up, in consultation with the board and representatives from local government, the Master Builders Association and Homeswest. That committee has ensured there is full local knowledge of the Builders' Registration Board and its requirements. I am advised that the board expects its operations in these new areas to be self funding. The amendment will not be retrospective and will affect only new building work commenced after the proclamation of the amendment. The Government believes that this extension of the board's operations will provide significant improvements for builders and consumers in the districts affected.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Reg Davies.

LEGAL PRACTITIONERS AMENDMENT BILL

Second Reading

HON J.M. BERINSON (North Metropolitan - Attorney General) [10.20 pm]: I move -

That the Bill be now read a second time.

This is a Bill for an Act to amend the Legal Practitioners Act 1893.

The principal object of this Bill is to make possible the establishment of a litigation assistance fund by the Law Society of Western Australia. This fund, run by the society independently of the Government, will provide assistance to those who do not have the financial resources to themselves maintain civil actions in the courts. At present legal assistance is mainly provided through the Legal Aid Commission of Western Australia. However, because of the commission's limited funding, many applications for legal aid must be rejected. Many of those whose applications are rejected are unable to afford legal costs. The applications which are approved are mainly criminal and family law matters.

The aim of the Law Society's legal assistance fund is to provide an alternative source of funding for civil claims other than family law cases. In outline, an applicant who has a meritorious claim will pay to the fund either a reduced fee, or no fee, calculated according to the means of the applicant. The fund then undertakes to pay the cost of the applicant's lawyers incurred in the conduct of the case. The agreement between the applicant and the fund will normally provide that if the applicant's claim is successful the fund will be entitled either to an additional lump sum or a percentage of the damages received. It is expected that the fund will be built up by the accumulation of this share in successful proceedings.

As members will appreciate, the proposed agreement involves a limited and controlled type of contingency fee. There are risks to the public and other undesirable features about the usual contingency fee system, such as that which operates in the United States. However, a

system of contingency fees does offer advantages to some clients, especially those with little or no financial means for the enforcement of their legal rights. In this important initiative by the Law Society the worst features of the normal contingency fee system are avoided by interposing the fund between solicitor and client, while clients will enjoy most of the advantages. Because the proposed form of agreement does provide for a type of contingency fee, specific legislative authorisation is necessary.

The Bill also contains provisions to make it clear that rules made under the Act can prescribe the fees payable by those who use the many services provided by the Barristers' Board to the legal profession and those seeking to be admitted. As an important illustration, in recent years the board has had to establish a variety of courses of lectures and examinations for some lawyers from overseas to ensure that before they are admitted to local practice they appreciate major differences between our legal system and the one from which they come. This involves a considerable expense to the board and it is appropriate that it should be able to set and recover fees to meet these costs.

The Bill will increase the maximum fine which the board can impose upon a practitioner for misconduct from \$2 000 to \$10 000. The inadequacy of the present limit was recognised by the Clarkson committee and has been felt by the board in a number of cases in recent years.

The Bill will also overcome a deficiency in the present provisions of section 29 which arises only in those few cases where the board, after finding a practitioner guilty of serious misconduct, moves the Full Court to strike the practitioner off the roll. At present the practitioner remains entitled to practise until the motion can be heard. In a few of these cases, though not all, there is a need to provide immediate protection to the public by suspending the practitioner from practice until the Full Court hears the motion. The Bill will enable the board to do this where that is necessary to protect the public.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Derrick Tomlinson.

RESERVES AND LAND REVESTMENT BILL

Assembly's Amendments

Amendments made by the Assembly now considered.

Committee

The Chairman of Committees (Hon J.M. Brown) in the Chair; Hon Kay Hallahan (Minister for Lands) in charge of the Bill.

The amendments made by the Assembly were as follows -

No 1

Clause 2, page 1, delete line 7 - To insert the following -

Subject to subsection (2) and sections 15(2), 16(3) and 30(3), the provisions

No 2

Clause 2, page 1, after line 9 - To insert the following -

(2) Section 30(3), (4), (5) and (6) shall come into operation on the day on which this Act receives the Royal Assent.

No 3

Clause 30, page 10, lines 17 to 21 - To delete the subclause and substitute the following -

(3) Subsections (1) and (2) shall not be proclaimed to come into operation until after a memorandum of agreement between the City of Subiaco, the Western Australian Football Commission and the Subiaco Football and Sporting Club Inc. as to the future use of Swan Location 11285 has been laid before each House of Parliament, or if Parliament is not sitting, has been delivered to the Clerk of each House.

(4) If the 3 parties referred to in subsection (3) are unable, within

2 months of the day on which this Act receives the Royal Assent, to agree on the provisions of the memorandum of agreement to be presented to Parliament, the Minister for Lands shall conciliate between the parties as to the matters in dispute and if the parties remain in dispute after such conciliation, the Minister shall make a conclusive determination of the provisions of the memorandum of agreement.

- (5) If the City of Subiaco refuses to execute a memorandum of agreement the provisions of which have been determined under subsection (4), and whether or not the Subiaco Football and Sporting Club Inc. executes the memorandum of agreement, the Minister for Lands shall recommend to the Governor that he direct, under section 33(3) of the Land Act 1933, that the whole or any portion of Swan Location 11285 be leased to the Western Australian Football Commission.
- (6) For the purposes of the provisions of subsection (3) as to the coming into operation of subsections (1) and (2) and the presentation of a memorandum of agreement to Parliament, a memorandum of agreement the provisions of which have been determined by the Minister under subsection (4) is to be taken to be a memorandum of agreement between the 3 parties referred to in subsection (3).

Hon KAY HALLAHAN: I move -

That the amendments made by the Assembly be agreed to.

Members thought we had despatched this legislation last time we dealt with it. However, when the Bill reached the other place further discussion took place resulting in the amendments before us which relate to concerns about involving Subiaco Football Club by recognising arrangements have to be made with that body and incorporating that fact in the Bill.

It also indicates that concern was held that agreement would not be reached in a reasonable time and that maybe negotiations would continue indefinitely. The Government agreed with the Opposition in the other place. In my view, the negotiations were progressing and had nearly reached finality, so the Government did not introduce these amendments. However, there is nothing untoward about them, except that it could be construed by local government that the Minister will be in a position to override local government. Local government is very sensitive about such issues, and I am not sure that this part was necessary, so I want that on record.

However, despite that, and because people were expressing some concerns, the Government will support the amendments. The amendments were moved by the member for Applecross in the other place, and were supported by the Government. I would expect both Opposition parties here will also support the amendments, which I understand adequately cover any concerns that could be held. That puts me, as the Minister for Lands, in a position of adjudication should any matter not be resolved within a period of two months. There is nothing inherently wrong with that. I guess Ministers with this portfolio responsibility are often placed in that position. It is just a question of whether local government will view that as a further erosion of the powers they believe they rightly have with regard to vestings.

Hon BARRY HOUSE: This reserves legislation has made more appearances in this Chamber than did Dame Nellie Melba.

Hon Garry Kelly: She made farewells.

Hon BARRY HOUSE: I hope this will be a farewell for this legislation. It is unfortunate that the reserves Bill for 1989, which became the first reserves Bill for 1990, contained the controversial clauses in respect of Subiaco Oval. I would like to foreshadow to the Minister that in future controversial clauses such as these should be taken out of the reserves Bills and dealt with as separate pieces of legislation so that other worthwhile transactions involving individuals and local government will not be delayed for as long nor be as continually frustrated as were these.

This legislation has been debated fully in this Chamber on two occasions, and I put on record

again that the reason was the Government's mismanagement of the legislation, where it did not return a message to the Legislative Assembly at the end of the last session before Parliament was prorogued, so the Bill had to come back to this place. When the legislation left this Chamber the negotiations and consultation, which I believe had been heading in the right direction, seemed to fall down, and this legislation then seemed to take on the appearance of having been made on the run in the other place.

I agree with the Minister that this amendment is probably unnecessary but it is now in the legislation and it will be accepted by the Opposition. The amendment was born following representations from the Subiaco Football and Sporting Club Inc to three members of this Parliament, who are on both sides of the political spectrum, and who perhaps had vested interests because they are vice patrons of the Subiaco Football and Sporting Club. They seemed to fear that the club was being left out of this deal. I understand that a lot of assistance was given by the Government, and particularly by the Minister's staff, in the drafting of the amendments, and the amendments were then introduced in the other place by the Opposition, for some reason. However, it appears that during the process in the other place the consultation and communication broke down because some members of that Chamber did not have any understanding, let alone a full understanding, of what the amendments were prior to their being dropped on the Table. That is totally different from the way the legislation was handled in this Chamber, where discussions took place between all the parties involved prior to the amendments being moved and prior to the Bill being introduced. That was a far more satisfactory way of dealing with the legislation than the method which seems to have been adopted in the other place. It really does not surprise me that that place has been called the "monkey house" when I see things like that happen.

The proposed amendment includes the Subiaco Football Club as the third party to the agreement. I have no objection to that, but I emphasise that no concerns were expressed to me, nor to any member of my party that I know of, from the Subiaco Football and Sporting Club prior to the legislation's clearing this Chamber, and they seemed to surface only after the legislation had disappeared from this Chamber. The amendment creates a circuit breaker in the event of the parties not being able to agree within two months, and the Minister for Lands will become the arbiter. We have no objection to this amendment because in this instance we are confident that the Minister for Lands will take a very fair-minded attitude to the situation. This is probably a dangerous thing to say but in this instance I trust her.

Our reservations are based not so much on the content of the amendment but on the lack of consultation which took place about the amendment. After months of steady progression, the amendment seems to have been dropped on everybody overnight. I took the trouble of consulting the three major interested parties after the amendment was put into the legislation in the other place. The West Australian Football Commission had some trouble with the emergence of the Subiaco Football and Sporting Club into the equation because when it set up its organisation in this State it wanted to be able to treat all the eight league clubs on a fair and equitable basis, but it was fairly happy with the amendment and gave me, through its chairman, Dr Peter Tannock, a reassurance that the Subiaco Football and Sporting Club would not be disadvantaged in any way.

The commission also reiterated that it would honour the agreement which was substantially reached with the Subiaco City Council prior to the last round of negotiations. Those negotiations, as the Minister has said, were very close to reaching a satisfactory conclusion. The Subiaco City Council obviously wishes that the final stages of the amendment had been handled with much more tact and diplomacy, and it was a bit disappointed with the lack of communication and consultation that all parties had with it prior to this amendment being dumped on it. The Mayor of the City of Subiaco, Helen Passmore, only found out about this on the Friday after the amendment had become a fact of life. The Subiaco City Council has substantially reached agreement with the West Australian Football Commission and it hopes that all can be resolved in the legislation within the stipulated period of two months so there will be no need to call on the arbitration part of the deal. Subiaco City Council also assured me that it would keep an eye out for the Subiaco Football and Sporting Club in the negotiations and ensure that its interests are protected. That club was apparently concerned that at the last minute its tenure at Subiaco Oval was under some sort of threat. Its current lease lasts until 2001 and the club's members thought that might have been in jeopardy, but obviously they are pleased that the club now forms part of the equation.

In conclusion, this Bill has had a long, tortuous passage. I wish all parties involved in the final negotiation of clause 30 a rapid and successful conclusion to their negotiations. I am pleased to see that, finally, the other clauses which involve many individuals and local authorities in the State will receive parliamentary approval and those negotiations can be concluded - perhaps better late than never. For the last time, I support the Bill.

Hon E.J. CHARLTON: As Hon Barry House has mentioned, we were more than a little surprised to find this amendment coming back from another place; not only that, but my respected colleague, Mr Bob Wiese, was more than a little surprised to find that there was an amendment in the air, so to speak. The National Party, through Mr Wiese, has made contact with Helen Passmore, the Mayor of Subiaco, to see whether it was correct that she was satisfied with the proposal. I endorse her comment that she can live with it - I think those were her words - and I also endorse the fact that she told us she did not find out about it until Friday.

All that aside, the important point I want to make is that it is against our better judgment to be doing this. Obviously there would not have been agreement to get it over with quickly if we had not previously made the decision that those two groups, who were the key to this arrangement, had to come to that agreement and have it tabled in the Parliament before it could be finally accepted. As a consequence of that the players have decided that they will get their act together. As members know, we are very much alert to the fact that the decision making role of local government cannot be eroded. It is the responsibility of local authorities and no-one should be taking away their right and responsibility to determine what is in their best interests in matters that directly affect them. Therefore, while we have been assured that the Subiaco City Council can live with this arrangement, and while we have been advised that the participants to this agreement have almost seen fit to get the agreement up and running, we will not attempt to stand in anybody's way. However, I repeat that it is probably against our better judgment to go down this path because we wanted to ensure that no-one could come back and say that Parliament acted and took away the rights of local government; but really we are leaving the door open for that to happen. We hope it does not, and I agree that it probably will not because of what has happened previously. We support the amendment.

Hon GEORGE CASH: My comments relate to the manner in which the amendment was made in the other place, and the manner in which it was handled. I must say that I was surprised to learn that the amendment had been moved in the other place; I was more surprised to hear that it had been carried. I still do not know whether it was a Government initiated or an Opposition initiated amendment; all I know is that it seemed to me from hearing comments from the other place and also from reading some of the debates that Mr Bob Wiese, who was handling matters for the National Party - and, I might say, handling them in a very competent way in respect of this Bill - appeared not to have been advised by either the Government or the Opposition in respect of this amendment. I must say that as I have tried to maintain a very close liaison with the National Party in this House it disappointed me to think that the National Party had not been properly advised by either the Government or the Opposition in another place in respect of this amendment.

I must say that my first thoughts were that we in this place should not support the amendment. However, after some discussion with Hon Barry House, who advised me that he had confirmed various matters with the City of Subiaco and the West Australian Football Commission, it was decided that we would support this amendment - not necessarily just for the amendment itself but because we had regard to all those other authorities, in particular local authorities, around Western Australia who have been waiting for this Bill to be progressed for nearly 12 months, or a considerable time anyway.

I support the amendment but just say to this Chamber that I hope my Opposition colleagues in another place - and, indeed, the Government - improve their communications with all parties in that place if we are to have the sort of cooperation one would expect, and certainly the sort of cooperation we have in this Chamber.

Hon KAY HALLAHAN: The positions have all been stated quite clearly. Perhaps it should go on the record from me that I would be of a mind to determine only those issues that are particularly in dispute, and any of the parties who might want to take all of the negotiations back to square one would find themselves sadly disappointed about that. I make it very clear

that after this Bill is proclaimed, if the bodies cannot reach agreement I will certainly be conciliating only on those matters that are clearly matters of particular dispute at that time.

I appreciate the confidence shown by members opposite in the way in which I will exercise this discretion, which I must say I was not seeking; but it will be exercised very cautiously and in line with the consultations that we have been conducting. To keep the record straight, it may be true - and I think it would be true - that the Mayor of Subiaco did not see the precise wording of the amendments until Friday, but my staff did take it upon themselves to talk on the telephone to the bodies concerned on Thursday, when it seemed that this amendment would gather momentum in another place. Therefore, in general terms the Mayor of Subiaco had had the proposal outlined to her on Thursday, although I am told the amendments were not drafted until somewhere around the dinner break so any of the bodies party to it could not have seen the final product on that working day.

There certainly has been the most inordinate consultation on this matter and, like members opposite, I hope we are finally moving this Bill along. I commend it to the House.

Question put and passed; the Assembly's amendments agreed to.

Report

Resolution reported, the report adopted, and a message accordingly returned to the Assembly.

House adjourned at 10.50 pm

QUESTIONS ON NOTICE

LAND ADMINISTRATION DEPARTMENT - RESERVES, RURAL AREAS *Adjoining Land Holder Lease - Local Government Consultation*

479. Hon BARRY HOUSE to the Minister for Lands:

- (1) When a reserve controlled by the Department of Land Administration in rural areas is leased to an adjoining land holder to fence and graze stock, is it normal practice to consult the local government authority and seek its input?
- (2) Is the Minister aware that a 20 hectare reserve in the Shire of Boyup Brook was leased to an adjoining land holder who subsequently fenced the area and grazed his stock on it?
- (3) Is the Minister also aware that this lease proceeded only on the recommendation of the Bush Fire Liaison Officer for the area with no reference to the Shire of Boyup Brook?
- (4) If the answer to the previous question is yes, will the Minister be making some recommendations to her department to refer these leases to the local shire before being granted?

Hon KAY HALLAHAN replied:

- (1)-(3) Yes.
- (4) The Department of Land Administration accepts that the shire should have been consulted. In this particular case such consultation was overlooked owing to the involvement of the Bush Fires Board liaison officer and the usually close association those officers have with the Local Volunteer Fire Brigade and the shire.

RAIN - INDUCED RAIN RESEARCH

483. Hon P.G. PENDAL to the Minister for Police representing the Minister for Agriculture:

I refer to research into induced rain and ask -

- (1) Have any experiments been carried out successfully, in Western Australia or any other Australian State where rain has been induced?
- (2) Are there any known adverse ramifications, for agriculture or the environment, of inducing rain?
- (3) Is research into methods of inducing rain and its ramifications being carried out in Western Australia at the present time?
- (4) Is any funding available for such research work?
- (5) If so, how would an interested private researcher go about applying for such funding?

Hon GRAHAM EDWARDS replied:

The Minister for Agriculture has provided the following response -

- (1) Due to the difficulty in establishing target and control areas in rain making there have been no statistically significant experiments in Australia.
- (2) There are no established adverse environmental effects of cloud seeding. There is some speculation that there may be a reduction in rainfall downwind of the target area.
- (3) Currently there is no weather modification research being done in Western Australia.
- (4)-(5) There are no specific funds available for weather modification research.

WASTEWATER TREATMENT PLANT - BEENYUP*Marmion Marine Park - Alternative Ocean Outlets*

487. Hon GEORGE CASH to the Minister for Police representing the Minister for Water Resources:

- (1) In relation to the proposed Beenyup wastewater ocean outlet duplication into Marmion Marine Park, which of the four alternative ocean outfalls has been recommended by the Environmental Protection Authority?
- (2) What is the estimated cost of each of the four alternatives?
- (3) When is construction due to commence on the Beenyup wastewater ocean outlet?

Hon GRAHAM EDWARDS replied:

The Minister for Water Resources has provided the following response -

- (1) Option 1 - (after secondary treatment, an ocean outlet 1800m long off Ocean Reef).
- (2) Option 1 - \$7 million.
Option 2 - \$72 million (after primary treatment only, an ocean outlet 6800m long off Ocean Reef).
Option 3 - \$41.5 million (after secondary treatment, an ocean outlet 2000m long north of Burns Beach).
Option 4 - \$74 million (after primary treatment only, an ocean outlet 5800m long north of Burns Beach).
- (3) March 1991 with launching in March 1992.

MINERAL SANDS - GIACCI BROS*Capel Plant Transport Tenders*

489. Hon BARRY HOUSE to the Minister for Police representing the Minister for Transport:

Given that Giacci Bros were originally asked in March 1990 to submit a tender for the road haulage of mineral sands from Cataby to Capel and after that, the contract was awarded to Westrail: Why were Giacci Bros not given the opportunity to tender on the south west section to take bulk containers to the Capel plant?

Hon GRAHAM EDWARDS replied:

The Minister for Transport has provided the following response -

As a result of public tender Westrail has a contract with Malatesta which includes the cartage of bulk freight from either Brunswick or Picton railheads. The transport of mineral sands for Westralian Sands is covered by this contract.

NICKEL - WESTRAIL*Leonora-Kambalda Cartage*

492. Hon GEORGE CASH to the Minister for Police representing the Minister for Transport:

- (1) Does Westrail cart nickel ore from Leonora rail head to Kambalda?
- (2) Have any permits been issued to allow nickel ore to be carted by road from Leonora to Kambalda or Leinster to Kambalda?
- (3) If so, what is the justification for the issue of such permits, given the Government's policy regarding cartage by road when rail facilities are available?

Hon GRAHAM EDWARDS replied:

The Minister for Transport has provided the following response -

- (1) No.
- (2) Yes.
- (3) Permits were issued due to difficulties that Westrail experienced with the handling of the product.

STATESHIPS - NATIONAL TERMINALS OF AUSTRALIA LTD
Joint Venture

501. Hon GEORGE CASH to the Minister for Police representing the Minister for Transport:

- (1) What arrangements have been entered into by Stateships into their joint venture with National Terminals of Australia Limited and Nos 1 and 2 berths North Quay, Fremantle?
- (2) What was the extent of Stateships funding commitment to the joint venture?
- (3) Is the joint venture profitable?
- (4) If so, what was Stateships share of the profit in each of the last three financial years?
- (5) Does Stateships currently have outstanding debts in excess of 60 days payable to the joint venture?
- (6) If so, what is the delay in paying these debts to the joint venture?

Hon GRAHAM EDWARDS replied:

The Minister for Transport has provided the following response -

- (1) National Terminals of Australia Ltd (NTAL) was established in 1988 as a company to represent the stevedoring terminal interests of the Australian National Line and James Patrick and Co. By virtue of this arrangement NTAL became the 50 per cent participant with Stateships in the stevedoring joint venture at Nos 1 and 2 North Quay Fremantle, in lieu of Patrick Stevedoring (WA) Pty Ltd.
- (2) As in any joint venture the funding arrangements are shared between the participants according to proportional participation.
- (3) The joint venture was not profitable in the period 1986 to 1989 but has resulted in a net economic benefit to Stateships by virtue of much lower stevedoring cost than would otherwise be achievable in Fremantle. The joint venture has achieved break even operations in 1989-90 and will produce an operating profit in the 1990-91 fiscal year, due principally to cost savings from waterfront reforms and permanent employment of labour by NTAL.
- (4) Not applicable.
- (5) No.
- (6) Not applicable.

STATESHIPS - UNIVERSITY OF WOLLONGONG
Centre for Transport Policy Analysis - Impact Study

502. Hon GEORGE CASH to the Minister for Police representing the Minister for Transport:

- (1) Has Stateships contracted to employ the services of the University of Wollongong Centre for transport policy analysis to conduct a study to confirm Stateships' impact on the State economy or for some other reason?
- (2) Will the Minister advise the reasons for the appointment and the criteria and terms of reference which have been set out for the study?

Hon GRAHAM EDWARDS replied:

The Minister for Transport has provided the following response -

- (1) No. However, the Department of Transport has appointed the Centre for Transport Policy Analysis of the University of Wollongong to undertake an evaluation of the economic benefits of Stateships services to Western Australia.
- (2) This evaluation is one of a number of criteria ordinarily required in the formulation of future policy and is fundamental to the process of corporate and strategic planning. I am happy for the Department of Transport to apprise you of the terms of reference.

WESTRAIL - FREIGHT TRAIN SERVICE, ALBANY
Reduction Intention

518. Hon MURIEL PATTERSON to the Minister for Police representing the Minister for Transport:

The Westrail freight train provides service to Albany five days per week.

- (1) Does the Government intend reducing this service?
- (2) If so, by how many days and when will the change take place?

Hon GRAHAM EDWARDS replied:

The Minister for Transport has provided the following response -

- (1)-(2) There has been a reduction in demand for overnight rail transport between Perth and Albany and Westrail is reviewing the type and frequency of service now provided.

SPORT AND RECREATION - COMMUNITY SPORTING AND RECREATION FACILITIES FUND
Taskforce Recommendations

522. Hon MAX EVANS to the Minister for Police representing the Minister for Sport and Recreation:

With respect to the Community Sporting and Recreation Facilities Fund, would the Minister advise -

- (1) When will the taskforce's findings/recommendations be made public?
- (2) Is the fund to continue?
- (3) If not, why not?

Hon GRAHAM EDWARDS replied:

The Minister for Sport and Recreation has provided the following response -

- (1) Copies of the taskforce review report on the Community Sport and Recreation Facilities Fund have been made public.
- (2) A decision will be made at a later stage of the Budget determination process.
- (3) Not applicable.

WATER RESOURCES - ENEABBA TOWN BORE
Monitoring

524. Hon E.J. CHARLTON to the Minister for Police representing the Minister for Water Resources:

- (1) Is there any monitoring of the Eneabba town bore?
- (2) If the answer is yes, for what period?
- (3) Does this monitoring include -
 - (a) salt content; and
 - (b) water level?
- (4) Has monitoring of Jennings Farm, AMC and sundry bores or King Ranch also been carried out?

Hon GRAHAM EDWARDS replied:

The Minister for Water Resources has provided the following reply -

- (1) Yes.
- (2) Routine monitoring since 1970s.
- (3) (a)-(b) Yes.
- (4)

Jennings Farm	-	Yes.
AMC	-	Yes.
Sundry Bores	-	Some sundry bores are monitored.
King Ranch	-	Not aware of this property.

QUESTIONS WITHOUT NOTICE

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

402. Hon GEORGE CASH to the Leader of the House representing the Premier:

Some notice of this question has been given.

- (1) Is the Premier aware of any written agreement between the solicitors acting for Mr Peter Dowding and Mr Musca, in respect of the defamation action brought against Mr Dowding by Perth barrister and solicitor Mr Leon Musca, and for which Mr Dowding has now apologised, to not make the details of the settlement public?
- (2) If so, will he advise the details of the agreement?

Hon J.M. BERINSON replied:

I thank the Leader of the Opposition for some notice of this question. I am advised as follows -

- (1)-(2) The Premier has not seen the agreement between the parties.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

403. Hon GEORGE CASH to the Leader of the House representing the Premier:

Some notice has been given of this question.

- (1) When did the Government first agree to indemnify Mr Peter Dowding for any damages and/or costs in defending an action for defamation initiated against Mr Dowding by Perth barrister and solicitor Mr Leon Musca?
- (2) Was the decision ratified by Cabinet?
- (3) If so, when?
- (4) Was Mr Dowding a member of Parliament at the time the decision was ratified by Cabinet and was he a member of Cabinet?
- (5) Who were the members of Cabinet when the decision was -
 - (a) made; and
 - (b) ratified?

Hon J.M. BERINSON replied:

I am advised as follows -

- (1) November 1989.
- (2)-(3) Cabinet confirmed the decision in February 1990.

- (4) Mr Dowding was a member of Parliament and a member of Cabinet when the decision was first agreed to, but he was not a member of Cabinet when it was confirmed.
- (5) This information is publicly available in *Hansard*.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

404. Hon GEORGE CASH to the Attorney General:

Notice of this question has been given.

- (1) Is the Attorney General aware of an action initiated by Perth barrister and solicitor Mr Leon Musca against Mr Peter Dowding in which Mr Musca sought damages and costs for an alleged defamation committed by Mr Dowding against Mr Musca?
- (2) Is the Attorney General aware that the action was taken against Mr Peter Dowding in his private capacity and not as a Minister of the Crown or Premier of Western Australia?
- (3) Is the Attorney General aware of the firm of solicitors which acted for Mr Dowding in respect of this action?
- (4) Did the Attorney General at any time since the initiation of the action by Mr Musca communicate with the solicitors acting for Mr Dowding?
- (5) If so, on how many occasions and on which dates did he communicate with Mr Dowding's solicitors?

Hon J.M. BERINSON replied:

- (1) Yes.
- (2) The action was taken in respect of statements by Mr Dowding in his official capacity.
- (3) Yes.
- (4) Yes, in relation to the settlement proposals only.
- (5) On 22 June and 6 July 1990 by letter and on about two other occasions by telephone in relation to those letters.

I add that this information is taken on a search of my files which has been possible in the limited time available, but I believe the information is complete.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

405. Hon GEORGE CASH to the Attorney General:

Some notice of this question has been given.

I refer to recent action initiated by Perth barrister and solicitor Mr Leon Musca against Mr Peter Dowding, which defamation Mr Dowding has now admitted and has issued a public apology to Mr Musca and I ask -

- (1) Was there any communication between officers of the Crown Law Department and the solicitors acting for Mr Dowding in respect of this legal action?
- (2) If so, on how many occasions and on what dates were these communications made?
- (3) Were the communications oral or written?
- (4) What was the purpose of the respective communications?
- (5) Did any of the communications, oral or written, indicate that the Government had decided or intended to pay any damages and/or costs awarded against Mr Dowding?

Hon J.M. BERINSON replied:

(1) No.

(2)-(5)
Not applicable.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

406. Hon GEORGE CASH to the Attorney General:

Some notice has been given of this question.

(1) Did the Attorney General claim on a Perth radio station on Monday morning, 9 July 1990, that had the defamation action initiated by Perth barrister and solicitor Mr Leon Musca against Mr Peter Dowding, for which Mr Dowding has now apologised, proceeded to trial, the damages awarded against Mr Dowding might have been three or four times greater than those awarded in the recent settlement in favour of Mr Musca?

(2) If so, on what basis did he make that statement?

Hon J.M. BERINSON replied:

(1) No. I believe I said, and certainly it was my intention to convey, that the legal costs of the action would have been much greater.

(2) Not applicable.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

407. Hon E.J. CHARLTON to the Leader of the House:

Did Cabinet discuss the ramifications of bearing the cost of Mr Musca's defamation action against Mr Dowding with the knowledge that the case would not go to court?

Hon J.M. BERINSON replied:

No.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

408. Hon GEORGE CASH to the Leader of the House representing the Premier:

Some notice of this question has been given.

(1) Was the Premier aware that the defamation action initiated by Perth barrister and solicitor Mr Leon Musca against Mr Peter Dowding was initiated against Mr Dowding in his personal capacity and not in his capacity as a Minister of the Crown?

(2) What is the justification for the Government's agreeing to pay damages and costs awarded against Mr Peter Dowding in his personal capacity and not as a Minister of the Crown?

Hon J.M. BERINSON replied:

(1)-(2)

The action was taken in respect of statements by Mr Dowding in his official capacity.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

409. Hon E.J. CHARLTON to the Leader of the House:

If Cabinet did not consider the defamation case not going to court, on what basis was it in a position to meet that cost?

Hon J.M. BERINSON replied:

The initial decision was to indemnify Mr Dowding against the costs of the action.

MINISTERS OF THE CROWN - DEFAMATION CASES

Government Payments and Costs Recovery

410. Hon DERRICK TOMLINSON to the Leader of the House:

Some notice of this question has been given by Hon Peter Foss. Since the beginning of the Burke Ministry until the present day -

- (1) Have any defamation cases in which the Government had to meet the Minister's costs been settled in a manner which involved the payment to the Minister?
- (2) Has the Government, from any of the cases referred to above, recovered any of the costs which it has paid or incurred. If so, how much and for which case?
- (3) In those cases, how much did the Minister recover and who was the Minister?
- (4) Has any case in which a Minister was a plaintiff been settled by the payment to a Minister but without any recovery of costs by the Government?
- (5) If so, why was no attempt made to recover costs on behalf of the Government?

The PRESIDENT: Order! Was that question on behalf of Hon Peter Foss?

Hon DERRICK TOMLINSON: Yes.

Hon J.M. BERINSON replied:

(1)-(5)

Both this question and another question of which some notice was given by Mr Foss, require a substantial review of records covering more than seven years and it has not been possible to collate an answer in the few hours since notice was received. An answer may take several days to compile, and if it is not available by the time the House rises it will be forwarded direct to the honourable member.

Hon Derrick Tomlinson: The Leader of the House referred to other questions asked by Mr Foss. Does his undertaking cover those questions as well?

Hon J.M. BERINSON: Yes.

DOWDING, HON PETER - MUSCA, MR LEON

Defamation Action

411. Hon GEORGE CASH to the Leader of the House:

Will the Leader of the House table the guidelines that were current at the time the Government agreed to indemnify Mr Dowding for his costs of the Musca action and will he also table the guidelines that were current at the time the Cabinet ratified the decision?

Hon J.M. BERINSON replied:

I am prepared to table the guidelines which now apply and which were adopted, I believe, in late February 1990.

[See paper No 382.]

I cannot respond to the first part of the Leader of the Opposition's question because it is not clear to me whether guidelines were formulated in earlier times in the form in which we now have them. I will make further inquiries about that, but my understanding is that in 1989 we did not have a comprehensive set of guidelines of the nature of those I have now tabled.

Hon George Cash: What criteria did the Government use to make its decision to indemnify Mr Dowding in November 1989?

Hon J.M. BERINSON: I refer the Leader of the Opposition to a number of statements made by the Premier about this issue. Premier Lawrence has pointed out that the basis on which the initial agreement to indemnify costs was made was that such an indemnity was appropriate where legal action arose from actions taken in an official capacity and which were reasonable in all the circumstances.

McALPINE, LORD - JOINT VENTURES

Government Losses

412. Hon D.J. WORDSWORTH to the Minister for Resources:

Lord McAlpine's private company recently released a report which announced a loss of some \$16.5 million. Knowing that the Government was involved with Lord McAlpine in some of his northern accommodation projects, what losses has the Government sustained through any of its agencies or organisations in those joint ventures or other relationships with Lord MacAlpine and his companies?

Hon J.M. BERINSON replied:

I am not aware of any joint ventures with Lord McAlpine which have involved the Department of Resources Development. If Hon D.J. Wordsworth could specify any, I would be in a better position to respond to his question.

LAND - KOONDoola REGIONAL OPEN SPACE

Government Plans

413. Hon GEORGE CASH to the Minister for Planning:

Some notice has been given of the question. Will the Minister advise what plans the Government has for the land bounded by Alexander Drive, Marangaroo Drive, Rendell Way and Beach Road, that being land commonly known as Koondoola regional open space?

Hon KAY HALLAHAN replied:

I thank the honourable member for providing some notice of this question. Homeswest owns part of the area reserved for parks and recreation which is known as the Koondoola regional open space and has proposed that some of its land be used for housing. Before further consideration of this proposal, the State Planning Commission will prepare a brief for a study of regional open space needs within the area which includes the Koondoola open space. Consideration will also be given to the environmental impact on the area.

FIREARMS - AMNESTY

414. Hon GEORGE CASH to the Minister for Police:

The Minister will be aware that the current gun amnesty, which terminates on 31 July, has seen the handing in of more than 460 weapons over the past two months. Why will the Government not agree to a continuous amnesty to encourage people to hand in unwanted firearms or ammunition at any time rather than waiting, sometimes years, for a firearms amnesty?

Hon GRAHAM EDWARDS replied:

The Government has made no decision as to whether it will agree to a continuous amnesty. This question arose following a report earlier this year from the national committee on violence. The amnesty held this year was a special amnesty which I requested the Commissioner of Police to consider implementing. He considered it and decided to implement it. The amnesty followed the horrendous shootings which occurred earlier in the year. It was felt, given the large amount of publicity following the shootings, that it would be an appropriate time to hold a special amnesty. The broader question about a continuous amnesty is under consideration.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

415. Hon GEORGE CASH to the Leader of the House:

In view of the recent payment by the Government for damages and costs relating to an action between Perth lawyer Mr Leon Musca and Mr Peter Dowding, will the Leader of the House table in the Parliament a statement indicating the exact amount of taxpayers' money used to fund these damages and costs? Will he also indicate the amount incurred by damages and the various amounts that may have been incurred by costs?

Hon J.M. BERINSON replied:

I could not grasp the distinction between the first and second references to damages and costs; I ask the Leader of the Opposition to elaborate.

Hon George Cash: The first is a statement in respect of damages, and the second is a statement in respect of the costs payable to Mr Dowding's solicitors, Mr Musca's solicitors, or any other person who may have claimed costs in regard to the action.

Hon J.M. BERINSON: The settlement was on the basis of a single lump sum figure. So far as I am aware, there is no breakdown as to damages and legal costs in respect of the payout. I am quite happy to obtain that information. I do not know whether the accounts by Mr Dowding's own legal representative have been rendered, so I am not in a position to respond on that as yet.

DOWDING, HON PETER - MUSCA, MR LEON
Defamation Action

416. Hon GEORGE CASH to the Attorney General:

- (1) Will the Attorney General indicate to the House whether the total amount payable by the Government in respect of damages and all costs is likely to exceed \$90 000?
- (2) If so, can he give some indication of the amount that is likely to be paid out? By way of explanation, figures such as \$140 000 have been bandied around, and perhaps the Attorney General can verify that.

Hon J.M. BERINSON replied:

- (1)-(2) I cannot either confirm or deny the reference to \$140 000.

Hon George Cash: It could be \$200 000.

Hon J.M. BERINSON: The reference to \$90 000 relates to the settlement payment covering Mr Musca's claims and his costs. The total sum will necessarily be larger than that but, in the absence of any account so far as I am aware, I am unable to speculate.

Hon George Cash: When are we likely to get that? Figures such as \$140 000 have been bandied around which means that the costs for Dowding could be \$50 000.

Hon J.M. BERINSON: I have no idea, and I would be merely speculating because I have seen no account. In fact, I am not sure whether the account in the end will be directed to me, the Treasurer or Treasury. I cannot take the answer beyond the facts as I know them. The facts are clear in relation to the settlement payment, but any details on other payments must await events.

Hon George Cash: It could be up to \$140 000?

Hon J.M. BERINSON: It could be up to \$91 000. I am trying to say that I can do no more than speculate on the total costs, and I see no point to that speculation.