

Legislative Assembly

Wednesday, 14 October 1981

The SPEAKER (Mr Thompson) took the Chair at 2.15 p.m., and read prayers.

COLLIE COAL (WESTERN COLLIERIES & DAMPIER) AGREEMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr P. V. Jones (Minister for Resources Development), and read a first time.

LEAVE OF ABSENCE

On motion by Mr Bateman, leave of absence for three weeks granted to Mr Jamieson (Welshpool) on the ground of public business.

WORKERS' COMPENSATION AND ASSISTANCE BILL

Second Reading

Debate resumed from 1 October.

MR BRIAN BURKE (Balcatta—Leader of the Opposition) [2.20 p.m.]: I rise on behalf of the Opposition to indicate briefly that we intend to oppose the second reading of this Bill. Before outlining to the House the bases on which that opposition is founded, I want to say something about the progress through which this Bill has passed prior to today's debate. I want to pose some questions to the House about whether we have been wise, efficient, or compassionate in the way in which the changes to this law have been approached, because if we cast back our minds to the first occasion on which the predecessor to this Bill was introduced to the House, we will remember that it was a much more unacceptable piece of legislation when compared with the Bill we are considering now. I wonder whether members in this place are happy that the working men and women of this State, employers, and the public generally were held to the fire as they were on the first occasion, knowing now that many of the contentious issues which were raised in the first piece of legislation exist no longer.

I wonder whether the public generally viewed favourably the repeated statements of the Premier that the Government intended to proceed with the workers' compensation legislation as originally presented regardless of the positions taken by different opponents of that particular legislation. Of course, I refer to statements made during the

currency of the first Bill; that was when the Government had embarked upon some very vivid changes and, come what may, was prepared to proceed with those changes in the face of bitter opposition.

I wonder now how we as members of Parliament view that sort of process—the tactic by which a piece of legislation is introduced without any real consensus being reached amongst the people to be affected by it, and then the Government's proceeding to say regardless of the opposition it has engendered that its will in the end will prevail.

We can see from the changes made to the legislation that the Government's original intentions have been watered down considerably. That is not something for which we criticise the Government; that is something about which we are very pleased. While we oppose this Bill we say publicly that it is a far more acceptable piece of legislation than was its predecessor; and we say that the trauma through which industry and working men and women were put by the proponents of the first Bill has proved to have been completely unnecessary.

Mr Bryce: Hear, hear!

MR BRIAN BURKE: It was not necessary for the Government to provoke in the community the atmosphere of confrontation which occurred with the introduction of the first Bill. The test of that lack of necessity is this new Bill. I am pleased to say the Minister for Labour and Industry—the Deputy Premier—by consensus has been able to arrive at a situation which, while unacceptable to the Opposition, apparently is acceptable to employers and union organisations representing the men and women who are wage and salary earners in this State—workers as defined in this legislation.

I reiterate that the confrontation, the trauma, and the bitter opposition originally engendered by the first Bill has proved to have been unnecessary by the provisions of this Bill.

The Minister has signified what appears to us to be a desirable change in the Government's course, which is evidenced by the way in which he arrived at the legislation we are now considering. This legislation is the result of tripartite negotiations and consultations between the Government, employers, and employees. In fact, it is some form of a social contract. What has happened is that after originally embarking upon a course that was to be the course of prevailing regardless of opposition, the Government, faced with active opposition from outside and within this place, has come to a consensus agreement, a

social contract with the parties affected by the law it proposed to promulgate. That was a good thing, and we hope that the Minister in his reply will be able to indicate whether the Government intends to continue this sort of approach in industrial relations, and whether it is committing itself to a future that includes acceptance of social contract arrangements when changes to laws are considered.

We think it is critically important that if at all possible consensus should be reached; that social contracts between parties affected by proposed changes should be entered into prior to the changes being introduced.

I make it perfectly clear that the Australian Labor Party never benefits politically from industrial confrontation; that always has been the case. In the political arena the conservative parties are invariably the parties to benefit from industrial confrontation.

Mr Pearce: That is why they foment so much of it.

Mr BRIAN BURKE: That is the other point: I do not think there is any doubt that on some occasions during the last year of the Liberal Party's term in Government it has been responsible for provoking industrial unrest to the end of political advantage.

Some of the statements made by different Ministers about the characters of union officials, about their senses of responsibility and their general performances, have caused to pale into insignificance some of the issues raised in this place about which those same Ministers complained.

Mr Rushton: It was a shame to me that the Labor Party possibly fomented the last bus strike. I discounted that possibility as fact because I didn't have any proof of it. The Labor Party sought to embarrass the Government.

Mr BRIAN BURKE: It is perfectly plain that the Minister has highlighted an appropriate example which he experienced. He discounted the possibility of the Labor Party's involvement simply because he did not believe that it would have been involved.

Mr Rushton: I couldn't get the proof. I didn't disbelieve it; I just didn't have proof. It wouldn't have been beyond the Labor Party.

Mr BRIAN BURKE: It would be good if all the Minister's colleagues showed the same admirable restraint in the months preceding an election; and if the Minister for Transport desisted from making allegations in the face of the lack of proof in relation to a possible

involvement of the Labor Party in an industrial dispute, more credit would accrue to him.

The point I intended to make is that if Ministers of the Crown involve themselves in personal slinging matches with leaders of the union movement, or members on this side of the House involve themselves in personal slinging matches with leaders of industry and business, the sort of desirable consensus that this legislation represents never will be obtained because consensus cannot spring from a hot bed of personal controversy or antagonism.

Mr O'Connor: As the Minister directly affected, do you suggest I have entered into slinging matches?

Mr BRIAN BURKE: No. I can well remember that when the waterside workers were on strike the Minister for Labour and Industry adopted a conciliatory attitude towards the dispute, but was overruled subsequently by the Minister for Water Resources. I have no bone of contention with the Minister for Labour and Industry in his actions leading up to this piece of legislation, from the time it was decided to abandon the previous proposition. However, I ask the Minister: Why did not the dialogue that resulted in this legislation occur before the last piece of legislation was introduced?

We would have avoided all that bitterness about which everybody from the Premier to the member for Subiaco has complained.

Mr Young: Does this mean we can understand from now on that we will not hear any more of that comment we have become used to from leaders on your side of the House in respect of industrialists and businesses similar to those you spoke about? It will be a new era.

Mr BRIAN BURKE: I cannot commit myself to agreeing with propositions put forward about other leaders of the Opposition.

Mr Young: From yourself.

Mr BRIAN BURKE: As far as I am personally concerned, the attitude I have now expressed is the one I hope I have followed until now and certainly the one that we want to follow from now on, but the Minister for Health can make his personal judgments on that, too.

Mr Young: If you do it will be a new era indeed.

Mr BRIAN BURKE: If I can emphasise that point once more, the Minister should explain why it is that the attitude he adopted in the reaching of the agreement that resulted in the legislation now before us, was not the apparent course or attitude that he adopted prior to the

drawing up of the first legislation which occasioned such controversy.

I now touch briefly on those areas to which we object and which will be expounded upon by the member for Fremantle who is handling the Bill on behalf of the Opposition. The first is that in respect of the lump sum payment for people who are injured at work, the legislation we are now debating represents a decrease of some \$12 000. That is something we are not prepared to accept.

Referring to the journeying provisions of this new Bill, the onus of proof makes it extremely difficult in some cases for injured workers to obtain compensation to which they may be entitled and in other cases pending the outcome of a court case, it will delay the admission of workers' compensation of which the people who are injured are subsequently proved to be deserving.

The other thing that we object to is the concept of an age disqualification in the application of workers' compensation. Notwithstanding the importance of this new Bill, the Opposition maintains that it is an unfair situation for an age disqualification to be introduced into workers' compensation legislation. It is particularly hard on certain sectors of industry where progressive and long illnesses are more prevalent than they are in other parts of industry.

As far as the definition of a "worker" is concerned, the Opposition points to the fact that the definition in the Bill excludes almost all cottage workers in all the cottage industries and that is something we find unacceptable. We are uneasy also about the decision to relieve employer and employee organisations of their right and responsibility in the appointment of board members and to concentrate in the hands of the Minister that sort of authority.

We are not saying that the Minister will show to us examples of cronyism in his appointments, but we are saying that, if we are looking for an accurate reflection of the order of employer and employee organisations, it is probably best to leave in the hands of those organisations the powers that the Minister will be taking to himself.

If I can recap briefly: The politics of consensus as demonstrated, however unwillingly, by the final draft of this Bill, is something that we applaud. We do not applaud the very retrograde steps that some of the provisions embodied in the Bill represent regarding working men and women, and we certainly would like to hear the Minister's justification for occasioning such controversy and trauma in the community about a Bill which subsequently was withdrawn which had applied to

it some sincere and worth-while consultation and which was then replaced by a much more acceptable piece of legislation today.

I say once more that the Opposition intends to oppose the second reading of this Bill.

MR PARKER (Fremantle) [2.34 p.m.]: The Leader of the Opposition has placed on record an outline of the Opposition's attitude towards this Bill which, like its predecessor, is a very considerable piece of legislation and arises in large measure out of the need for improving the way in which workers' compensation legislation is framed in this State, simply from a procedural and administrative point of view. In that regard, the Bill appears to go somewhere towards succeeding in that aim because there is no question that the comments which were made by a number of people involved in workers' compensation litigation and proceedings, including judges of the High Court, indicated that there was very great need for a complete rewrite of the workers' compensation legislation.

As the Leader of the Opposition has said, the attitude of the Government reflected in this Bill by the Government is one which after a negotiation or consultation period between the parties concerned, was accepted by all those parties—the Trades and Labor Council, the Confederation of WA Industry, and other employer groups including, I understand, the Chamber of Mines and the Government and its instrumentalities including the SGIO. We are aware that that is the situation. That is why the Government is not receiving vehement opposition from us to this piece of legislation similar to that which it received when the previous Bill came before the House. That is not to say that the Opposition's attitude should be misunderstood.

Had we been in Government and in charge of rewriting the workers' compensation legislation, there would have been a very significant and considerable difference between the legislation that would have come into the House and that which is before us now. In the first place, the Opposition's attitude generally is that workers' compensation ought to be regarded as a social question rather than as primarily an insurance question. It is unfortunately the fact that the way in which workers' compensation operates in this State means that it is to some considerable extent seen as an insurance question, and that is at least, if only in part, because employers are not unnaturally concerned about the level of premiums which they pay.

On that issue we do not resile for one moment from the fact that the principal reason employers

are paying such high levels of premiums is neither because of too generous provisions contained within the existing workers' compensation legislation and this proposed workers' compensation legislation; nor because workers are ripping off the system in some way, except as in any system in a miniscule way; but rather because the insurance companies concerned not only are making huge profits, but also are using a lot more administration time and manpower than would be necessary if we had a scheme which was run by the State or Commonwealth Government, such as we have suggested.

As I pointed out in the debate which took place on this Bill in the last session, the South Australian Byrne committee investigated this and has estimated that merely by excluding private insurers from the area of workers' compensation, one could be expected to obtain savings to employers in the order of 30 per cent. For a large employer of labour, a saving of 30 per cent of his insurance premiums in the workers' compensation area would be a very considerable saving indeed. I would suggest that the sooner employers realise that their interests do not lie with the preservation and maintenance of the hegemony of private insurers in workers' compensation, but rather in the creation of some form of State or national system of workers' compensation insurance, the sooner the workers will be better off in terms of the conditions that will prevail for them and the manner of their rehabilitation. If workers' compensation were controlled by the Commonwealth, in other States as well, employers would be saving money in terms of actual premiums and would be having less administrative problems than they have with the current workers' compensation provisions.

The employers must realise that we have on this issue at least a commonality of interest. They should be looking very seriously at our policies on workers' compensation which involve the creation of a system whereby workers' compensation is treated as a social issue and is further treated as such by way of State legislation with a State insurance company handling it, or alternatively by way of a system perhaps similar to the New Zealand situation or the proposals of the Whitlam Government by Senator Wheeldon who was the Minister for Social Security in that Government. More recently, there have been discussions within the Fraser Government and by Senator Guilfoyle when she was the Minister for Social Security.

I do not know whether the current Minister for Social Security is looking into this. I do not know

whether the Government knows either. As I understand, members of the State Government do not speak very often, in a friendly manner, with the current Minister for Social Security and they are probably as unaware as we on this side of the House are of what he says.

In the long term, the only way would be by a national system of compensation which includes not only workers' compensation, but also all forms of sickness. I understand that applies in New Zealand and various parts of Canada.

Mr Sibson: You believe in a national system?

Mr PARKER: That is not necessarily the case at all. What I believe is we need a system which will provide equity for all people. In this instance, it is obvious the employees and workers would be better off with such a system. I would be much happier with that than with what is provided in the legislation at present. However, I believe such a system will come. This matter is discussed periodically by the appropriate State and Federal Ministers and it is now only a matter of time and of getting people together to work out where the powers lie, in order to implement it.

As the Leader of the Opposition stated, there are a large number of improvements in this Bill which is far better than its predecessor. However, there are some areas which remain of concern to the Opposition. One aspect which must be considered further and which was of grave concern when legislation was before us earlier this year, is the area of the prescribed amount. This matter was the subject of considerable disagreement between the Government and the trade union movement at that time. It is true that the end product of the negotiations has been agreed to by all parties. As a result of the effluxion of time, the original prescribed amount of compensation was \$51 000 and it has been increased now to \$58 000. That is a substantial increase and the proposal before the House now is a much better one than that which was before it in April this year. However, the provision will still have the effect of reducing, in real terms, the quantity of the prescribed amount by a figure of \$12 000 over the next nine years.

The way in which the formula works out is that in 1981 dollars terms, in nine years the sum of \$58 000 will become \$46 000. That is a considerable decrease.

There are some inaccuracies in the Minister's second reading speech with regard to the maximum amounts which may be awarded in various States. For example, in the State of New South Wales where the Minister indicates the maximum amount which may be \$30 000 or

more, the position is the Workers' Compensation Board has the right, in circumstances of death or severe disability—quadriplegics or paraplegics—to award sums larger than those which are provided for in the schedule to the Act.

So there will be circumstances where workers who have particularly serious injuries may receive sums of money which are to the same order as those awarded by MVIT judgments. While it is true to say that the prescribed amount is as the Minister stated in his second reading speech, the position is that the Workers' Compensation Board is authorised to exceed that amount.

Mr O'Connor: It can be exceeded here, too, of course, not in terms of a lump sum, but in terms of continuing the weekly payments. In New South Wales, after six months the payments are cut in half.

Mr PARKER: The situation in New South Wales is different from the situation here. In this State the weekly payments may continue after the prescribed amount has been exhausted, but I am not sure of the position in regard to that in New South Wales. When the lump sum has been awarded, in New South Wales it is possible for the commission to order a larger amount than the prescribed lump sum to be paid, and that frequently occurs.

With this legislation the way in which the prescribed amount is increased has been changed. Firstly, the indexing is no longer based on the minimum wage award; rather, the Government has stated an average weighted male award rate as was proposed early in May. In April we proposed that the figure should be tied to the average weekly earnings. While we stand by that position, we concede that the proposal put forward by the Government has improved upon that situation. Secondly, the \$58 000 figure is an increase and this is to increase further a considerable improvement upon the position which prevailed in May.

Another matter which is of concern to us is the question of chiropractors. The use of chiropractors by workers on compensation has become very prevalent in Western Australia. However, their position under the current legislation is somewhat unclear. It has been accepted in specific areas of the legislation that chiropractors are entitled to issue certificates and they have been accepted by insurers. However, with this legislation the definition will restrict considerably such a practice. It will make it quite clear that chiropractors are not permitted to issue first certificates or final certificates. The legislation leaves unclear the question of whether

or not they are permitted to issue progress certificates. Also, the definition of "chiropractors" and other forms of health practice with regard to the issuing of certificates is not clear. During the Committee stage I will move some amendments to correct that anomaly.

Chiropractors should be allowed to issue certificates, but not final certificates. As far as I am concerned, it may well be the situation that the worker has some reason other than a chiropractic reason for not returning to work. Therefore, a medical practitioner only should be the person to issue a final medical certificate. It seems to me that there is a need for some broadening of the definition of "chiropractor". I know there are problems in this area; nevertheless, I do not believe that there should be a complete exclusion of chiropractors from operating in the workers' compensation area which would be the effect of the legislation as it currently stands.

Another matter of concern is the definition of "worker". My understanding is that the definition of "worker" which is contained in the Bill does not reflect the agreement which was reached between the people concerned and the Government. If it is not done by the Government, we will move an amendment in the Committee stage to reflect that agreement.

The sort of workers I am talking about with regard to this definition are the subbies, labourers, and some piece workers; those people who work in the cottage section of the building industry. That group includes bricklayers and others in the building industry. There are also the people in the timber felling industry and various other areas to whom the definition applies.

The definition which exists in the current legislation was not the definition imposed or inserted by a Labor Government, but rather a definition which was inserted by the Brand Government in 1970 as a result of some form of recommendation by the Workers' Compensation Board or its chairman. That definition in the Act extended the previous definition which had extended workers' compensation to certain categories of tree fellers who otherwise would not have come within the ordinary definition of "workers".

It needs to be fairly clearly understood which people we are talking about and they are the people who would normally be able to be defined as workers, but because of the manner of the operation of their industry they are forced into a situation where it could be said that they are independent contractors.

The argument as to whether independent contractors ought to be covered by workers' compensation legislation is one that has been canvassed and overcome as long ago as 1970; ever since then it has been considered that these people ought to be covered by workers' compensation. It is just a question of the extent to which they ought to be covered.

When I became an official in the building industry it was very much the case that virtually all teams of subcontract bricklayers were treated as though they fell within the extended definition of the word "worker". They were treated as such by the insurance companies; when claims were being processed by the Workers' Compensation Board and its then chairman; when making decisions if that became necessary by employers in the industry; and one might say by insurers of the industry when they were given advice. Organisations such as the Insurance Council of Australia gave this advice to its membership.

Over the years that interpretation of the extended definition of the word "worker" has become much narrower because of decisions made by the Workers' Compensation Board. So we now have a situation where a large proportion of the people who were receiving workers' compensation in the period say, between 1970 and 1978 or thereabouts, will no longer receive it.

The intention of the Trades and Labor Council and also the intention of the Labor Party—in this matter we are as one in our view—is that the definition should be rewritten to cover those people it was always intended to cover; that is, people working in the manner I described.

I do not believe that the definition of the word "worker" in the Bill will do that. There is no question but that the definition contained in the Bill before us will have the effect of excluding 95 per cent of the people working in the cottage industry in the way I have described. The number of people who could say that they had personally made a one-to-one contract with someone else to supply a one-to-one service would be virtually nil. What happens is that a member of a team of bricklayers or carpenters will approach an employer or a contractor who has work available and this person will enter into a bargain to lay the bricks for so much a thousand or to put the roof on for such-and-such an amount of money. Any profits are shared between the team. This system is organised in such a way that it minimises the total spent on a job.

The housing industry regards this form of operation as the most efficient, and it wishes to continue with it. So these workers are forced to

work in this way. If the efficiency is for the benefit of the building industry, those workers ought to be protected and covered by the Workers' Compensation Act. It would be very difficult for these workers to organise an alternative insurance. If they are not covered by the workers' compensation legislation, each worker would have to take out personal accident insurance.

At various times these workers have a different status in the industry. A worker may be an ordinary wages' worker for a period of time, perhaps on a piece work basis, and then maybe he is a subcontractor for a certain period of time. There is no stability or continuity in his work. His status may alter from day to day.

If there is no provision in the workers' compensation legislation for these people, their status is very unclear and difficulties arise about insuring themselves when they are independent contractors.

Because of the difficulties involved, the idea of having such people all defined as workers in this Act is a very sensible one, and obviously the concept was recognised by the Brand Government when it legislated as it did. I was surprised that the provisions in the Bill before us are a diminution of the standard which was in the Bill introduced in the autumn part of the session, and certainly a diminution of the standard from the situation in the Workers' Compensation Act. Certainly the provisions in the Bill are a diminution of the original intention of the legislation which was introduced in 1970.

I hope the Minister and the Government will see fit to amend this provision so that it will reflect the agreement that was reached after negotiations between the parties, and certainly an agreement which seems to me to be logical and fair with regard to this section of the industry and this section of the worker's compensation legislation.

There are a number of minor points in regard to the other definitional clauses which I will take up during the Committee debate. I will not waste the time of the House by dealing with them now.

The next matter I wish to deal with in my second reading speech is clause 15 of the Bill referring to residents who are outside the State for more than 24 months.

It is happening more and more that workers are hired by Australian and overseas companies to work for considerable periods of time overseas. For instance, one company which is known to me, John Holland (Construction), had a lot of work in Indonesia, and many other Australian companies

are working in South-East Asia and in the Middle East. Many of them use Australian skilled and semi-skilled workers, and frequently the companies cannot estimate accurately how long the employees will be required to work overseas. Many of the countries where Australians are working have little or no social legislation, and certainly if there is any social legislation, it provides very little protection for the workers.

Some of these workers may be overseas for 24 months or more, but their original domicile was Western Australia and they intend to return here. So there should not be a time limit of 24 months as proposed in the Bill. I can understand that if someone is overseas for 10 years or so, that person should not be covered by the Western Australian legislation. However, it could be determined readily whether or not a person was ordinarily domiciled in Western Australia. Such a decision could be left to the court concerned. For these reasons I will be moving to delete parts of subclause (1) of clause 15 during the Committee stage debate.

One of the matters that caused a great deal of concern when the amending Bill was first introduced in the autumn part of the session, and a matter which has caused serious concern to the workers in this State, is the alteration to the journeying provisions in the Act. The journeying provisions are contained in clause 19 of the Bill before us, and in my view, they still fall very far short of the standards set by the 1973 legislation, the standard which applies currently.

I must admit that the journeying provisions in the Bill before us are a slight improvement on those introduced earlier this year. It is my understanding that the Minister will move an amendment to this clause during the Committee stage, and that the amendment will be a further improvement. If the Government does not propose to go ahead with such an amendment, certainly the Opposition will put it forward.

The provisions in the Bill detract quite considerably and seriously from workers' rights in this area. The sections of the clause to which we object will, in our view, undermine the workers' rights to obtain workers' compensation as a result of accidents which occur while workers journey to and from work. The onus will be shifted onto the worker to prove that such accidents did not occur through substantial or wilful default.

In every other matter in relation to workers' compensation, the onus is on the employer—the insurance company, effectively speaking—to prove that is the case. I do not believe that the

provisions in the Bill before us substantially improve the situation because in almost every instance, the worker will be required to prove there was no substantial default or deviation. I am prepared to wager that on almost every occasion in which a worker makes a claim of this nature the employer—and if not the employer, the insurance company on his behalf—will enter an automatic disclaimer saying that there was substantial or wilful default and the employee will be required to prove there was not.

However, quite apart from the fact there may be circumstances where the worker simply is unable to prove there has been no wilful deviation or default, there would also be many occasions where there is a considerable time lapse between the time of the accident, and the worker proving his case before the court or the board. In the meantime, the insurance company will have that money in its coffers, and the worker will be without income. As the Minister for Water Resources said last week, people play the money market. I do not know whether workers play the money market, but certainly, insurance companies do. To have that money in their bank accounts for all that time would make a considerable difference to the profitability of those companies. We are not satisfied with the way in which the onus of proof has been changed under this clause, and we intend to move an amendment to the clause during the Committee stage.

The other matter which was agreed to by the parties in the negotiation, but which has not been legislated for in the Bill, concerns the situation where a worker leaves from a place which is not his ordinary residence and has an accident on the way to his place of work. In other words, the worker has stayed overnight at a place other than his home. It would seem to me to be fair that, in the event of an accident occurring, the worker concerned should be covered by workers' compensation. However, from my reading of the Bill, he would not be covered. I imagine a considerable number of people would fall into this category at least in regard to journeying from a place other than one's normal residence to the place of work, and some of them might be unfortunate enough to have accidents in that situation.

Clause 80 also is a matter of very serious concern. It is taken from a subsection of section 8 of the current Act, which was intended to apply only to industrial diseases. The Government's intention—which we support—is to prevent wilful and fraudulent misrepresentation and thereby stop people wrongfully gaining workers'

compensation payments. There is no disagreement on the broad principle involved.

However, I see within section 12(6) of the current Act a provision which achieves that aim by making it an offence for people, fraudulently or by way of misrepresentation, to obtain workers' compensation. The Opposition supports the continuation of that sort of proposition. However, wording similar to that in section 12(6) is nowhere to be found in this Bill.

This provision has been extended from its original aim of applying only to industrial diseases to apply to all forms of injury. We understand that an employer who is thinking of employing somebody should have the right to be informed of any previous occurrence of industrial disease so that any apportionment of liability between different employers could be ascertained.

However, the effect of extending this provision to all forms of injury will result in a complete undermining of the rehabilitation provisions of this legislation. It will require every worker to divulge to a prospective employer every single form of injury which that person may have had for which workers' compensation was payable. For example, if a worker had suffered a back injury, and was trying to rehabilitate himself by returning to the work force, either he would reveal his injury—which, in most cases, particularly in heavy industry, would mean he would not get the job, because at this time of high unemployment, the employer has plenty of healthy people from whom to choose—or he would not divulge his old injury in order to get the job. That in itself is not an offence. However, if on a later occasion he suffers a recurrence of his back injury, workers' compensation would not be payable.

There is no point at all to this provision. Unlike existing section 12(6) it is not a matter of misrepresentation, where a worker is not revealing to a prospective employer that he had previously suffered from an industrial disease. If the worker suffers a recurrence of a previous injury, the new employer is not liable. So, he has no need to obtain that information.

Mr Coyne: Can't you have an exclusion of that injury so that the worker would be covered for everything except his old back injury?

Mr PARKER: There is no need to do that because the new employer is protected. If there is a recurrence of the injury, the person who is liable is the old employer or, in most cases, the old employer's insurance company. So, there will be no skin off the nose of the new employer if the worker goes off work because of his old injury.

Indeed, the employer's insurance policy would not cover the recurrence of his employee's back injury.

Mr Coyne: You said that if the person revealed his old injury, he would not get the job.

Mr PARKER: That would be the case. It is not simply a question of insurance cover but, naturally, of employers wishing to choose the best people for the job. If clause 80 is allowed to pass as it stands, people with back injuries and similar sorts of injuries will be unable to rehabilitate themselves, or will obtain employment without revealing they previously suffered from such an injury and, in the event of a recurrence of that injury, would be unable to obtain workers' compensation. Indeed, the application for workers' compensation might be for some extraneous matter. The application of this clause is so wide that if someone fails to reveal a back injury, and his foot is cut off, he is excluded from workers' compensation.

Mr O'Connor: That is not so; I will explain it later.

Mr PARKER: The board has some discretion, but that is the situation. I agree we should endeavour to prevent fraud and, during the Committee stage, I intend to move for the substitution of existing section 12(6) in place of clause 80 of the Bill; together with the new penalties provided for in the Bill, it will very adequately handle the matter.

There then comes a number of clauses with which I will deal together, because the same principle applies in all of them. I refer to clauses 96, 97, 113, and 145, which relate to the composition of the three bodies established under this legislation; namely, the Workers' Assistance Commission, the Workers' Compensation Board, and the Premium Rates Committee.

What the Minister has done in the Bill is to take away from both employer and employee organisations the right to nominate members to the Workers' Compensation Board and the Premium Rates Committee, and vest that right in himself. The wording of these clauses is so broad that the Minister—not necessarily this Minister—could put almost anyone into any of those positions and, if he so chooses, do so without consultation with the employer and employee organisations. I know he "may" consult with them and in fact, I would be very surprised if the current Minister did not so consult. However, we are dealing with legislation which must stand the test of time, and I believe such legislation should be as tight as possible.

If this Bill is passed, the Minister may appoint as the workers' representative on the board anyone experienced in union affairs. However, that does not necessarily mean anyone who actually is a representative of unions or workers. It does not mean anyone who has the support of individual trade unions, or the trade union movement as a whole. The Minister might even appoint someone who is quite antagonistic to the trade union movement. One person who readily comes to mind who might fit this category, and who is experienced in union affairs, is Mr Bob West, who currently is industrial relations officer for the State Energy Commission and who, for many years, was Secretary of the Australasian Society of Engineers. No more anti-union person than Mr West can be found in Government circles, yet he would fall within the definition of someone experienced in union affairs.

In relation to a person experienced in business affairs, I would have thought that the Government would be concerned that a Labor Government, on coming to power, might decide to appoint someone who was not representative of the Confederation of Western Australian Industry, for example. If I had anything to do with it, that would not be done. However, the Government could appoint a person not from some other employer organisation who was also experienced in business or commerce. The Confederation of WA Industry would not want many people representing it on any of the bodies concerned.

I am surprised that the Minister is proceeding with this aspect of the Bill, which was not included in the earlier Bill. The question of the qualifications of the person is one of considerable concern.

As I have already said, there will be no obligation on the Minister to consult with any of the bodies, although there is provision that he may so consult. If he does choose to consult with them, there is no obligation on him to accept the results of that consultation. The Minister may ask for a name or a panel of names, and he may accept the name or one of the names, or he may decide to disregard that and appoint someone totally different. As I say, the likelihood of that happening is remote; but it could be an exceptional situation. We are opposed strongly to that.

We would like the present situation in relation to the Workers' Compensation Board to continue. We believe strongly—and perhaps the Minister should listen to this—that there is a need for the Minister to resolve such problems as currently exist in which a person is a member of the board,

but for various reasons is not sitting on the board. The Minister ought to have the right to deal with that situation. We are not saying that the current position with regard to one member of one of the boards is one with which we are happy. The Government ought to have regard to that situation, when people are not able to continue on the board. We would like a provision in the legislation to enable the Minister to sort out that particular problem.

The Minister has gone overboard in attempting to sort out that position with regard to the clauses I have mentioned. The Bill does not deal only with the sort of problem as occurred recently, but rather it deals with a whole range of situations relating to the Workers' Compensation Board, the Premium Rates Committee, and the Workers' Assistance Commission, which bear no relationship to things happening in the industry.

With regard to the method of dismissal, we agree that there should be power to dismiss or suspend from duties, possibly without pay, certain people if they have any problems such as the ones currently being experienced by one of the members of the board. The Minister ought to have the right that exists currently in relation to public servants, police officers, and people like that who ought to be protected while they are under supervision.

The Minister's draft is far too draconian. Clause 97(4)—and this is repeated in clauses 113 and 145—provides that the Governor, meaning the Minister effectively, can terminate the appointment of a nominee member for mental or physical disability. In this International Year of Disabled persons, it would be interesting to know what the Minister for Health thought of the proposition that someone could be dismissed from a board merely because of a physical disability.

Mr Pearce: Or the Premier, for that matter. He gave me a long lecture last night about the great things that the Government is doing for the disabled. Perhaps this is one of them.

Mr O'Connor: Do you want them to help you?

Mr Pearce: I do not want them to be discriminated against.

Mr PARKER: In that subclause, the word "inefficiency" is included, and then it has "misbehaviour". If the word "misconduct" was used, I would be much happier because the word "misconduct" has been defined legally. The word "misbehaviour" could mean anything.

Mr Clarko: Come on, you could not mean helping a little old lady across the road!

Mr PARKER: That might be a physical disability. It would depend on how one helped her.

As if all those reasons were not enough, clause 97(4)(b) provides —

- (b) for other good cause, whether the events or circumstances giving rise to that good cause occurred before, on, or after the date on which the appointment took effect.

It may be that a person, at some stage in his life 20 years previously, had misconducted himself, but had rehabilitated himself and become a worthy member of the society; but suddenly it would be discovered that he has some unfortunate record in his past. Even though it were 20 years previously, he could be dismissed from the board for that reason.

Paragraph (d) provides that the dismissal can be for any other good cause. It would not have to be misbehaviour. What is a good cause? A good cause might be the election prospects of the Liberal Party, or something of that nature.

Mr Barnett: I would not call that a good cause.

Mr PARKER: In the eyes of the Minister, it might be a good cause. That sort of thing ought not to prevail in this or any other legislation, whether it relates to workers' compensation or any other issue, and whether it is to be administered by a Liberal Minister such as the Deputy Premier, or by a Minister in a Labor administration. That sort of law should not be included in any Act, because standard provisions have been made for the dismissal of people.

As I said before, provision has to be made for suspension in certain circumstances. Even bearing in mind that problems have been encountered in the past, the provisions that the Minister has drafted should not be supported.

Clause 134 allows unlimited appeals. By widening the ability of people to appeal to the Supreme Court from the Workers' Compensation Board, the Government will open the floodgates of appeals, and it will increase substantially the cost of workers' compensation to the insurers, and thereby the employers, and thereby the community, without making a significant difference to the situation. At present, the only cases which can go to the Supreme Court are cases stated by the Workers' Compensation Board. They are matters in which a legal issue is at stake.

That system seems to have worked very well. Now people will have the right to appeal to the Supreme Court on every little matter. If the Workers' Compensation Board has awarded

someone \$97 a week, the employer might think he should have been awarded only \$95, or the worker might believe he should have been awarded \$120, and an appeal will go to the Supreme Court. This provision will open the floodgates to many appeals which, in my view, will not be necessary.

The only people who will benefit from clause 134 will be members of the legal profession. They will have a huge amount of extra work because of this. The lawyers who work in the workers' compensation field, or those who may be attracted to it after the passing of this clause, will have vastly improved work and income prospects as a result of this legislation.

The old "case stated" situation has worked well. It has served the industry, the workers, and the employers well. I am aware of no strong lobby by anybody to change that system. Certainly I would be surprised if there had been a strong move from the Minister's side of the fence. As far as I am aware, there has been none from the Labor movement side of the fence. As I said, this provision will benefit the lawyers only, and I do not support it.

I will deal with some other matters in the Committee stage, as I have very little time left. I understand that the agreement reached between the Government, the Trades and Labor Council, and the employers included the introduction of industrial deafness as a compensable injury and disability in relation to workers' compensation. I appreciate that that is a complex issue. It is not included in this legislation; I understand a working party will consider the way in which legislation for industrial deafness can be introduced.

For as long as I have been in the Labor movement, there has been talk about the Government's legislating in the area of industrial deafness. I hope that on this occasion the Government will fulfil its obligations and, in very short order, we will see industrial deafness legislation introduced, either as a separate Bill or as an amendment to this proposed Act.

When that is done, all workers who are subject to workers' compensation and are in receipt of it will be covered by the legislation. I hope it will not take a matter of years, but rather a matter of only months before we see this legislation introduced.

In general terms, I have detailed the Opposition's attitude towards this Bill. As I have said, and as the Leader of the Opposition has said, although we recognise the Bill is a considerable improvement on its predecessor, it still results in a diminution of current standards.

Although we accept some of the provisions, we do not like many of the others and we feel constrained to vote against the Bill at the second reading stage.

MR SIBSON (Bunbury) [3.21 p.m.]: I support the legislation before the House. I would like to make a few comments because I have been closely associated with this Bill over a long period of time. I pay tribute to my colleagues who have followed very closely the course of this legislation and its amendments. The Bill is a very ambitious and worth-while approach to workers' compensation. We have had our present Act for a long time, and due to modern techniques and modern approaches to employment, it was essential that our workers' compensation legislation should be upgraded. I think the member for Fremantle made a similar comment and indicated it was time to front up to some of the very real changes needed to our present Act.

I suppose every member of this House who has done his job properly has read the Dunn report. Like me, there would naturally be many things in that report which members would have found acceptable and others that were not. There are quite a number of points in that report which have not been acceded to. We have stuck to the 100 per cent compensation to workers who have been unfortunate enough to be injured and who are receiving workers' compensation. The Dunn report recommended that workers' compensation should be paid at 85 per cent of the employee's normal earnings. The committee of which I was a member could not agree to that and it is commendable that the Minister and the Cabinet accepted the fact that the 100 per cent rate should continue.

I have been told by many employers, and particularly those in the lower employment brackets, that they believe the retention of the 100 per cent level to be essential and beneficial to all. They look upon their employees as very dedicated people who, in the main, work conscientiously in their particular industry or business. The employers felt that in this day and age when most people are fully committed to their income—particularly their basic income—with housing repayments, family needs, motorcar repayments and other things that people need in their everyday life, it was essential for the workers' compensation payment to be allowed to remain at 100 per cent of a worker's earnings.

I was pleased the Government accepted our recommendation, because it has given the worker a feeling of security. He knows that if he is forced to accept workers' compensation payments they will equal his normal earning capacity. I am

talking about people who genuinely deserve workers' compensation. Most people receiving workers' compensation are entitled to it, although there are a few who could be called malingerers. I am talking about and being concerned for those workers who genuinely deserve their workers' compensation payments. There was considerable debate concerning the retention of the 100 per cent provision and finally it was accepted as the best way to proceed.

One of the main aims of this Bill, which will undoubtedly become a new Act, was to compensate for loss of income. This is really what workers' compensation is all about. More importantly, there is a recognition in the Bill of the need to help a worker to re-enter the work force through rehabilitation.

In the past there have been many people who have gone onto workers' compensation. Many have had to be out of the work force to receive prolonged medical treatment which has not been as satisfactory as it could have been or because other methods of rehabilitation, such as physiotherapy or the use of facilities such as those at Shenton Park, have not been taken advantage of. The worker's rehabilitation has been hampered to some extent. It is the intention of this Bill to ensure everything is done to bring about the early re-entry into the work force of those people who are injured.

There are some distinct advantages in this idea for both the employer and the employee. It is quite devastating for an employee to be forced out of the work force and to receive workers' compensation. Anything that can be done to assist an injured worker's rehabilitation is essential.

The Bill seeks also to compensate for disability or death where the employer is at fault. The Bill points up very clearly that there is an obligation and a responsibility on the employer to ensure every effort is made to see that safety is a No. 1 aspect of his operation. Every effort should be made by the employer to ensure his workers are protected. An employer should use known safety techniques, undertake safety courses that are available, and perhaps employ an outside person to instruct on safety in the industry. Defined in this Bill is an encouragement for employers to take a very responsible role in safety matters.

By making this a part of the Bill we are not saying that many employers have not already taken steps to ensure the safety of their workers. Members will have seen examples in the Press almost every week of safety records in different factories. But this Bill puts a greater

responsibility onto all employers and especially those who have been a little tardy and have not scrubbed up to what is required. Those who have been up to scratch are being asked to be even more conscientious about safety.

If no accident occurs it is natural that this will be of benefit not only to the employee, but also to the employer. The employee does not have to suffer an injury and will not lose the benefits of being a full-time member of the work force. The employer will receive the benefit of not losing the services of an employee.

The Workers' Assistance Commission is a very important part of this Bill. It seeks to give representation both to employees and employers. It will be an avenue of bringing about a better understanding of the relationship between the employer and the worker in regard to safety, even before an accident occurs. If employers and employees are conscious of safety and conscious of the fact that injuries are detrimental to both parties, it will bring about a better understanding of employee-employer relationships.

Traditionally the timber industry has had a very high accident rate, but in recent years people involved in this area have taken great care to ensure safety is the prime obligation. If members care to visit various timber companies such as Bunnings Bros. Pty. Ltd. and Millars (WA) Pty. Ltd., they will find the workers are very conscious of the fact that they should do everything possible to avoid accidents. Various programmes and schemes have been established which offer incentives in this regard.

As a result of both employer and employee representatives contributing to the Workers' Assistance Commission, the two parties will be brought together. Therefore, we will be less likely to have a situation in which a worker might say, "I do not care whether I get hurt, because if I go on workers' compensation, I will get 100 per cent of my income, anyway". Arguments of that nature were used previously and it was maintained that there was no disincentive for a worker to be unemployed, because, if he was on workers' compensation, he would receive 100 per cent of his wages. However, by bringing together both the employer and the employee in this manner a number of accidents will be avoided.

The insurers also have a very great stake in this matter, because, in the first place, they must set premium rates, give insurance guarantees, and eventually make payments. It is very pleasing the Government is involved in this area also, because it is responsible for the legislation and it will need to keep a very close eye on it so that it can make

any changes which may be necessary from time to time.

I am sure the Minister would agree that, from time to time, it will be necessary to review the legislation and to adjust it to meet changing circumstances. Indeed, the Minister has indicated that areas of the legislation may need to be amended in the future when it becomes apparent certain problems are being experienced. However, such a situation applies to almost all legislation which is proclaimed and it will certainly apply in this case. The Bill is very complex and it proposes to make some radical and bold changes to the Act. Indeed, the legislation has been rewritten completely, therefore, from time to time it will be necessary to ensure changes are made in order to obviate problems which arise.

One of the important aspects of the legislation is the protection offered to workers who have been incapacitated for short and long periods. In the short term, when a worker is in receipt of compensation, it is essential to ensure he is provided with the best medical advice and that he has a suitable rehabilitation programme. In that way a worker in receipt of compensation in the short term will be able to return to work as quickly as possible.

However, the nub of the legislation is the protection of the worker who needs to receive compensation over a long period. People in this position are usually very genuine and their injuries frequently result from serious accidents. They find that they will either be in receipt of workers' compensation for a long period, or they will be unable to work indefinitely. This legislation offers real protection for such people. I will not repeat the details of that protection, because they are set out in the Minister's second reading speech.

It is the intent of the Bill that the person who is in receipt of workers' compensation for a long period should be looked after. In other words, such a person will not be cast aside after a few weeks or a few months. He will receive workers' compensation for as long as it is considered necessary by the medical profession. He will be given 100 per cent of his income and, at the same time, every assistance will be provided in order to aid his rehabilitation.

I had great pleasure in discussing this matter with Sir George Bedbrook who said to me and to one or two of my colleagues that one of the most important aspects of workers' compensation was rehabilitation. He believed that we do not use adequately the facilities in the State to ensure rehabilitation of workers is achieved to the fullest

extent. That statement does not apply only to a worker who has sustained an injury which will keep him away from work for a short period or even to a person who has sustained an injury which will necessitate compensation over a long period; it also applies to a person who may never be able to enter the work force again or who may be able to do so at a later stage, but in a less taxing job than that which he performed previously.

Mr O'Connor: Sir George Bedbrook was very interested and concerned about that aspect.

Mr SIBSON: Not only was Sir George Bedbrook's contribution to the changes to the Workers' Compensation Act very stimulating and factual, but also it was expressed in very simple language. I am not an academic, therefore I appreciated the very simple terms in which Sir George Bedbrook explained the position to me and some of my colleagues on the committee. We appreciated particularly his comments in relation to the real meaning of rehabilitation to a worker who has sustained a long-term injury.

During the period this legislation was prepared and discussed, I had the opportunity to meet Mr Ray Clohessy, who is a well-known union representative, together with representatives of the unions in the south-west. I found all the union representatives in the south-west were very concerned about workers' compensation. They wanted the benefits of workers' compensation to be promoted, and they asked that additional protection be given to employees. Above all, they were concerned that compensation be maintained at 100 per cent of the employee's income in order that no benefits were lost as a result of injury.

At the meeting to which I have just referred, Mr Clohessy cited seven or eight aspects he believed would disadvantage the worker. I challenged him to put those matters in writing. He then backed off and said he would do so at a later date. That meeting took place four or five months ago, yet I still have not received those particulars.

I do not want to criticise Mr Clohessy unduly, because it was clear at that time that he was grandstanding in front of 11 or 12 of the union leaders in the south-west, who were also acquaintances or friends of mine. However, Mr Clohessy made the point that the Government was taking the bread out of the mouths of the children of the workers who were in receipt of compensation and he claimed it had done some dreadful things to the workers. However, members should bear in mind that Mr Clohessy

could not explain in detail the nature of the "dreadful things" to which he referred.

I reminded Mr Clohessy that, in introducing the Bill, the Government intended to pay 100 per cent of the normal income of a worker in receipt of compensation, but that on many occasions in the past—no doubt it will occur again in the future—he had withdrawn the services of a union or a number of unions for a day, a week, or a month.

Mr Parker: The University Salaried Officers' Association!

Mr SIBSON: When the services of these workers were withdrawn, no compensation was paid to them.

Mr Parker: Can you imagine Mr Clohessy pulling out the University Salaried Officers' Association for five weeks?

Mr SIBSON: I felt Mr Clohessy was really only grandstanding and, indeed, a few weeks later the TLC met with the Minister, his department, and other people and came to an understanding as to the real nature of workers' compensation.

I should like to praise the union executive for the way in which, in the final analysis, it came together with the other parties to whom I have referred and discussed the whole area of workers' compensation and accepted the fact that this legislation would operate to the best advantage of the worker. Neither the Minister, myself, nor anyone on this side of the House has ever said areas of concern did not exist or that there would not be some problems with the new legislation. However, those sorts of difficulties will be looked at from time to time when the legislation has been put into effect. Benefits to be provided to dependants form a crucial part of this legislation.

The member for Fremantle made some comments in regard to problems as he saw them; however, when looking at all aspects of the matter I believe that genuine workers will be quite adequately catered for by this legislation. I stress that I refer to genuine workers—people who genuinely receive workers' compensation. I am not referring to people who may be referred to as malingers. We all know that there are such people. Even the unions realise that, and have said so quite openly. Within the workers' compensation system there always have been and always will be people who take advantage of the system. In my remarks I refer to the genuine person who goes to work, does his work to earn his income, obtains his wages and spends them as he sees fit, but who finds himself injured through no fault of his own. However, we must bear in

mind that some anomalies will occur, and they will be dealt with as time goes on.

The member for Fremantle made reference to chiropractors. He referred to our taking away from them the ability to write workers' compensation certificates. Over recent months I have had some discussions with chiropractors. In fact, I have been closely associated for 23 years with chiropractors because I happen to be one of the many people who has had a back injury and found chiropractors of great assistance. As recently as a couple of days ago certain chiropractors approached me. They said they were most disappointed that chiropractors would not have the right to write workers' compensation certificates.

A few remarks must be made about this matter. Within the chiropractic profession some problems exist. Some members of the profession do not do all the right things, and perhaps some do not have appropriate training and expertise to be regarded as highly professional and well-trained chiropractors.

Some changes should be made to the legislation covering chiropractors. I understand a committee is considering this matter and working in conjunction with the chiropractic profession and other interested bodies. Hopefully that legislation will be amended to alleviate some of the problems presently existing in the chiropractic profession.

In regard to this legislation it was determined that a medico should issue certificates for people with an injury that comes within the guidelines of workers' compensation legislation. I think everyone in this House would agree that it is a reasonable approach to have someone with an injury the subject of compensation to register with a medico.

Mr Hodge: That wasn't your approach a few months ago. Why the change of heart?

Mr SIBSON: It is obvious that an employer or a worker cannot determine the extent of an injury and the treatment required or the term of non-employment required. Naturally someone must be the arbiter; and naturally we must turn to a medico. If anyone hurts himself in some way or has bad health he goes to a medico. In each instance that is the first thing people do. In relation to workers compensation a medico is the proper person to ascertain whether an injured person is hurt badly enough to receive workers' compensation.

Mr Hodge interjected.

Mr O'Connor interjected.

Mr SIBSON: There is a certain amount of crossfire in the Chamber between the Minister and the member for Melville. I intended to clear the point.

Nothing will change. At present it is generally known that most of the medical profession will not refer patients to chiropractors. One or two people in the medical profession will do so, but they represent a small minority. At present that situation does not disadvantage chiropractors to a great extent.

An injured person has the right to elect to go to a chiropractor after he has gone to his doctor and has been certified as suitable for receiving workers' compensation. A large percentage of people in the community, whether or not they have been to a chiropractor, realise the value of chiropractors in certain fields of injuries. People know that they can go to a chiropractor, and if they feel that is necessary they will do so. An employer who is anxious to have his worker back at work and to have the workers' compensation claim settled or terminated will advocate that his employee go to a chiropractor if he feels the injury necessitates that course—it may be a back injury or something similar with which the chiropractor can assist. The insurance company which must ultimately foot the bill after the employer has paid his premium—high as premiums are—will encourage the employer to talk to his employee in an endeavour to persuade the employee to see a chiropractor if the injury is of such a nature that a chiropractor may be able to assist.

An employee has the right to elect to see a chiropractor; an employer will when necessary encourage his employee to see a chiropractor; and most importantly, an insurer will influence the insured to have an injured person see a chiropractor when necessary. It may be that an injured worker sees his doctor every week, and each time is referred for another seven days or whatever it might be. At that time he may elect to see a chiropractor or the pressure to which I have referred will be brought to bear upon him.

It has been said that some doctors advise their patients not to see chiropractors and have gone even to the extent of saying to a patient, "If you go to a chiropractor you will lose your workers' compensation". We all know that latter situation does not occur. I emphasise in this House the point that any worker who is in receipt of workers' compensation and feels that a chiropractor may be of assistance to him, irrespective of that which anybody says to him, whether he be a medico, an employer, an insurer, or someone from the run-of-the-mill public, the

worker has the right to elect to see a chiropractor. The Minister for Labour and Industry interjected some time ago to make that point. The worker's seeing a chiropractor will not jeopardise or in any way interfere with his entitlement to workers' compensation.

Mr Hodge: If you believe that, why have you downgraded them? It is so different from the one you introduced a few months ago. You have been leant on by the AMA.

Mr SIBSON: I will not enter into such a debate at this stage. I am explaining the changes proposed. The member for East Melville—

Mr Brian Burke: He is the member for Melville.

Mr SIBSON: I thank the Leader of the Opposition for putting me on the right track.

Mr Brian Burke: I have just started.

Mr SIBSON: The member for Melville has a distorted view that the AMA has leant on the Government, and nothing could be further from the truth. Quite frankly, it is quite ironic that during the last two years—since I have had experience with workers' compensation matters—I have not been approached by one medico. Not one has telephoned me or made a submission to me in relation to workers' compensation. That example absolutely annihilates the stupid proposition put by the member for Melville that the AMA has leant on the Government—his argument is absolute rubbish.

Mr Brian Burke: Are you saying the AMA has not made an approach to the Minister?

Mr SIBSON: I have said not one medico has made an approach to me.

Mr Brian Burke: What about to the Minister?

Mr SIBSON: Naturally the Minister will answer for himself. It is quite logical to assume that the medical profession has approached the Minister to discuss workers' compensation—it would be strange if it did not. I am saying that I have not received any submission or any pressure from the AMA in relation to this matter. I have made that point clear. The member for Melville raised the ridiculous proposition that the AMA has leant on me.

Mr Hodge: I was referring to the Government, not just you.

Mr SIBSON: I have made my point. I do not want to be sidetracked by a lot of nonsense about whether somebody has leant on somebody else; I am more concerned as to the benefits of workers' compensation to genuine workers. In the first place the person to suffer from a work accident is the employee injured; and in the second place the

employer suffers. He is an important person in this system. He must provide the occupation for the employee to earn his living and live within the community. If the employer does not survive the employee will not be able to work.

So on that basis we look to having workers' compensation at a reasonable cost. In this present climate with the interest that has been shown in workers' compensation, providing there must be sensible legislation; and I believe that to be the case now with this Bill which will eventually become an Act because it will provide a basis upon which workers' compensation will be equitable, fair, and acceptable. From that point of view, I believe that the insurance industry is taking a much greater interest in workers' compensation. In fact, I have heard some quite interesting stories in regard to quotes for insurance. I give an example of a firm in Bunbury which received a bill for workers' compensation for employees. The bill was \$4 000 for the estimated workers' compensation premium for the forthcoming year. The proprietor of the firm, who is a very good friend of mine, rang the insurance company and said, "This is a bit stiff. I don't think it is fair". The insurance company immediately reduced his premium to \$3 000. He thought, "Well, if that is the case, perhaps I have been a bit of a bunny in the past. I just paid my account. I will go further". He shopped around and eventually got insurance for the same workers under the same type of workers' compensation scheme for \$2 000. So we have a reduction of \$2 000.

What the debate and the activity within this legislation has done is to create an interest in workers' compensation and some very sound guidelines and understanding of what it is all about and has whetted the appetite of insurance companies to the extent that they are now quite competitive in this field. I am quite sure they will continue to be. Despite the debate on the life of the new Bill which will become the key, we have as a Government brought home to insurance companies, firstly, the importance of workers' compensation; secondly, the necessity for insurance companies to be involved; and, thirdly, that they must be competitive in that field and enter open competition.

Nothing more needs to be said in regard to chiropractors whose role I see as being exactly the same as before. Workers can elect to go to a chiropractor—nothing has changed there at all. Chiropractors are very busy people, naturally, because of the demand for their services.

Mr Hodge: They are very angry with the Government over this legislation.

Mr SIBSON: They certainly would not go broke if a few workers did not go to them, but that is not the point. What we have to do with this legislation is not protect the medicos, chiropractors, or insurers, but give the worker the opportunity to elect where he wishes to go. As far as chiropractors are concerned, a worker can elect to go to a chiropractor if he feels so disposed.

One other point that the member for Fremantle talked about was the aspect of travel to and from a place of work. This has always been—

Mr Brian Burke: Contentious?

Mr SIBSON: —a matter of considerable debate. It can be debated as to whether a worker should be compensated for injuries received while travelling from home to work and vice versa. My own son-in-law broke his leg on the way to work and was in fact compensated, which he was very pleased about, naturally, because he was on his way to work. He was off work for some seven or eight weeks, which was a considerable strain on him and his family. There is some merit in the fact that we do provide coverage for workers travelling to and from work. There is a real responsibility on the worker to be sincere and genuine in this respect. Most of them would be sincere and genuine. In the morning most workers have one thing on their minds, to get up and go to work, and they intend to do that and, also to go home at night. Of course, some workers have other interests or have reasons to deviate from their normal course when going to work, perhaps to attend to some horses that are paddocked out on some other part of the district, or a person may wish to take his wife to work or take his daughter or sister to visit some friends.

I had one case in Bunbury where the worker was going to work and had substantially deviated from his normal course to work to take his sister to visit a friend. That is understandable. He was quite concerned that he had been even questioned because he had substantially deviated from his normal route to work.

It is important that if, in the first place, the employer who pays the insurance, and, in the second place, the insurer who takes the responsibility for paying out the money are to be treated fairly the worker must understand that the legislation does apply and does concern the shortest practical route to work. There are some areas of concern where an employer may well redirect a worker. He may say, "Jim, when you are coming to work in the morning would you head over to Bunnings and pick up some materials?" This quite often happens, so there has to be a degree of tolerance in this by both the

worker and the employer, and also the insurance company.

I want to stress that I do not believe that people would overly abuse that privilege. It is a privilege. It must be a privilege for a person to be covered to and from work because it does not entail actual work. Therefore, all workers when considering this factor should ensure that they do not abuse the privilege. I have a case before me now in regard to a worker in Bunbury and the SEC where a substantial deviation took place and the employer at least thought he was badly treated. The employee, naturally, feels the same way. Somewhere a compromise has to be found. The employee must accept the onus of being very fair and practical in those terms. The employer and the insurer naturally have to accept some degree of compromise as well.

To round off the comments I have made, I wish to refer to a further aspect in regard to workers' compensation which came up a considerable number of times over a period during the various debates that the Minister had with various people involved in the industries, and also with the committees and members of Parliament in general; I refer to serious and wilful misconduct, which is a matter of concern and certainly does not involve the majority of workers, but only a small minority. As is always the case, it is the few who spoil it for the many. Naturally, if there is a serious act of wilful misconduct in regard to workers' compensation, in the final analysis, it is the worker who pays because the employer eventually erupts and starts to become very conscious of the fact that he has been got at. The insurer, of course, realises this also. Then the facts come out and there is a clamping down on what is accepted within the term "workers' compensation". Some of the factors of serious and wilful misconduct are a worker not working within the safety requirements for his employment; in other words, being very careless, and also, involving other people who, because they are working together, would be seen to be committing a serious and wilful act of misconduct.

Travelling to and from work is one of the worst abuses. For example a person may go down to the local hotel on the way home for a couple of drinks to finish off the week and stay there until one o'clock the next morning. He may have an accident on the way home and try to claim workers' compensation.

Mr Skidmore: Rubbish! It could not happen!

Mr SIBSON: The member for Swan has been very quiet and I do appreciate that fact.

Mr Skidmore: You know, and I know, it has to be within a given time.

Mr SIBSON: Recently there was such a case, and compensation was paid out, when a person was known to have been drinking for three or four hours after work and was able to prove that he was on his way home from work. I do agree with the member for Swan to some degree, but I am trying to make the point that it has occurred.

The responsibility must be placed upon the worker to ensure that such a situation does not arise and he does not allow himself to be in a position where there may be some dissension as to whether he was on his way home from work.

Mr Skidmore: That is very clear in the Act now.

Mr SIBSON: I have said that the legislation is well explained and it is a credit to the Minister and his officers. However, I do not believe that it is the right of any worker to abuse the situation, because he will make the position difficult for his own colleagues.

We must place the responsibility upon the individual. He must accept the laws and not attempt to abuse them. Of course, I am referring to a small minority of workers who abuse the system. When this occurs large sums of money are paid out and it makes it difficult for an employer to survive. It is essential that the worker takes this responsibility. At the same time, the employer has a responsibility to ensure that the workers are adequately covered at all times. Also, he should ensure that when workers do have a claim they are dealt with fairly and honestly. In turn, the insurer has a similar responsibility, not only to the shareholders of the insurance company, but also to the worker and the employer.

The Minister and his officers should be commended for the diligence shown in the drafting of this legislation. I should like to pay tribute to the officers concerned for their time and acceptance of the demands made by members of Parliament. I am sure we have given them a tough time in asking them questions and demanding answers. I hope the Minister will convey to his officers our appreciation of the way in which this legislation has been dealt with.

MR SODEMAN (Pilbara) [4.05 p.m.]: I wish to add to the remarks made by the member for Bunbury, although not at the same length at which he spoke. It is obvious he has researched the structure of the Bill extremely well and I commend him on the quality as well as the quantity of his speech in the House this afternoon.

The reason for my wishing to speak is to highlight two factors, one being the antics of the TLC and its secretary during the time leading to the introduction of this Bill; and the other is to convey my thanks to the Deputy Premier for the manner in which he was prepared to adopt an open mind and door, right throughout the same period.

The activities of the TLC amounted to nothing more than the normal grandstanding which is carried out for the benefit of union members throughout the State. The Secretary of the TLC adopted his normal tactic of holding a gun at the head of the Government. This tactic was quite unnecessary because the Minister had a very open-handed approach to the compilation of the Bill. He invited all sections of industry and the unions to indicate to him if they had any apprehension about the Bill. The representatives of the Confederation of Western Australian Industry (Inc.) and other sections of industry in the community, as well as members of Parliament, put forward their views. I spoke to the Minister about the apprehension in the minds of some of the people in the Pilbara and I received an extremely good hearing and assurance that some of the rumours floating around were totally untrue.

If Mr Cook had accepted the invitation extended to him there would not have been threats of a 24-hour stoppage and State-wide strikes. It is to the Deputy Premier's credit that he averted the threatened stoppage.

Within days of that hurdle being overcome, it was stated in *The West Australian* of 2 September that the TLC had in fact come to an agreement on the Bill and had endorsed it. Under the heading "TLC endorses injury-pay deal" it stated—

The WA Trades and Labor Council last night endorsed an agreement reached between its negotiators and the State Government on proposed changes to workers' compensation provisions in WA.

Of course, the TLC had to have one last little fling and there was a further final ultimatum that the TLC should have further representation or continued representation on the Workers' Compensation Board. If it had checked out the matter it would have realised that Mr Summers, who it had felt was no longer qualified to represent it on the board, was in fact still a member and that the Minister had no power to dismiss him until such time as he was found guilty of some malpractice.

Mr Parker: But he did have the power.

Mr SODEMAN: There was no reason that he should not have continued in his capacity and still represented the union movement.

Mr Parker: You are the only person in this State who believes that.

Mr SODEMAN: That is the advice I have been given. As far as the unions' representation is concerned, the Government is aware that it is a valid need and it is one which should continue and it is one which the unions have now.

Very briefly the main area of that contention and conflict, which as I mentioned previously was mainly created unnecessarily by the activities of the union, was that of the workers' compensation payment of 100 per cent of the weekly wage. Of course it is rather interesting to see that now the Bill has been finalised and is before the Parliament, this principle has been retained. All sorts of rumours were floating around the State and were perpetrated in areas such as the Pilbara that the payment was going to be dramatically reduced and that the workers would be worse off. Another area of concern was that of the maximum pay-out, and it is worth examining the situation of each of the States in regard to the lump sum compensation for specific injury.

All the rumours going around Western Australia that workers would be hard done by have proved to have no foundation. In South Australia the lump sum is \$20 000; Victoria, \$23 360; New South Wales, \$31 000; Queensland, \$34 020; Tasmania, \$41 634; and in Western Australia, the figure was increased from \$51 646 to \$58 885 and, of course, this level of payment will continue. So again the rumour that workers were going to be worse off is found to be without substance.

The payment of compensation after the age of 65 years was another area which caused a considerable degree of concern and I am pleased to say that the Government has agreed to continue workers' compensation payments for up to 12 months after retirement with full medical and lump sum entitlements if required. There are various other matters about which the Opposition was a party in perpetrating rumours throughout the State.

Mr Parker: What were the rumours that we were a party to perpetrating?

Mr SODEMAN: The Opposition was a party to rumours—

Mr Parker: About what?

Mr SODEMAN: About the matters of which I am talking.

Mr Parker: The Opposition made its position clear last April or May, whenever it was, that there was never any intention to reduce workers' compensation payments from 100 per cent and we have said that in this debate.

Mr O'Connor: I think that the member for Kalgoorlie had something different in his pamphlet.

Mr SODEMAN: I find it rather interesting that the member for Fremantle states that. I imagine, having said it, he will have a little sorting out to do with some of his colleagues. If that was his stance, it was certainly not the stance of some of the other members sitting on his side of the House.

Mr Parker: I am unaware of that.

Mr SODEMAN: Another area of concern was that relating to employees suffering from heart attacks while at work.

Mr Parker: The concern about heart attacks was not a rumour, it was a fact.

Mr SODEMAN: I am rather pleased that the Deputy Premier saw fit to have inserted a full page advertisement in the Press dispelling doubts in people's minds. These sorts of things will be well and truly covered.

Another area of concern was about people suffering from pneumoconiosis and the Minister indicated that if this disease showed up in a person after retirement that person would still receive compensation. For the first time the victims of lung cancer through exposure to asbestos will receive compensation.

Mr Parker: They were not rumours—they were in the autumn Bill.

Mr SODEMAN: The member for Fremantle gave his speech without interruption—

Mr Parker: Because I did not say anything untrue.

Mr SODEMAN: —and was listened to by members on this side of the House, but if he is asserting I am misleading the House he is totally incorrect as usual.

Mr Parker: You had those lines off parrot fashion.

Mr SODEMAN: I would like to reiterate my thanks to the Minister for Labour and Industry for the manner in which he has gone about presenting this Bill and for the hearing he has given the people right throughout this State. Every time I had a query on the Bill he was more than pleased to discuss it at length and, in fact, hold things up if necessary until the Bill was satisfactory to members on this side of the House.

If the TLC had been prepared to talk to the Minister at the outset it would have received the same treatment. With those remarks I support the Bill.

MR O'CONNOR (Mt. Lawley—Minister for Labour and Industry) (4.15 p.m.): I would like to thank members on this side of the House for supporting the Bill and I am surprised that members opposite are opposing the second reading. I am surprised because if the second reading speech is defeated we are left with the Act we have at present. People who have given great thought to this legislation agree with it, and the member for Fremantle did acknowledge the amount of discussion that has occurred in regard to this Bill. Back in 1978-79 Judge Dunn undertook the original study for the Government and presented recommendations to this House. I remember some of the statements made out in the traps—and especially around the Pilbara—that the Bill we had drawn up would reduce compensation to 85 per cent, and do various other things. That has now proved to be untrue. I think members will realise that we are more than sympathetic to all concerned.

When a Bill of this nature is to be drawn up it must be based on sympathy for industry and organisations which have to pay out large sums of money, and to those people who have been injured or incapacitated. I have had discussions with all those people concerned with this legislation, and through the Press and media, I invited any interested parties to come forward to discuss this matter. Fifteen submissions were received from organisations and individuals who had some part to play in this particular legislation. I took part in conferences with representatives of the Confederation of WA Industry and the Trades and Labor Council—seven or eight in all. I also had discussions with the ALP committee members, the Chamber of Commerce, the chiropractic fraternity, the AMA, and the other people who are concerned. Discussions were held with representatives of the Asbestosis Society—the organisation representing the people of the Wittenoom area.

The Government has tried to incorporate in the Bill at the aspects it believes affect industry, organisations—and business—which have had to pay out tremendous sums of money in the past—and those incapacitated.

Mr Brian Burke: What about over the last year?

MR O'CONNOR: Fortunately in the last two years there have been drops of 14 per cent and 11 per cent involved, and this has been pleasing from

all points of view. The Opposition says that we have had a consensus of agreement with all involved and have done a good job, yet it is going to oppose the second reading speech. I find this hard to understand.

Mr Parker: You are saying you are implementing more or less the agreement you have reached with all these people.

MR O'CONNOR: I believe this legislation is fair because of the discussions that I have had with the parties concerned and I believe the Bill is much better than the existing Act.

In opposing the second reading of the Bill, the Opposition is opposing increased allowances to dependants of injured persons. At the present time the child of an injured worker receives \$7.10 a week—totally inadequate. This Bill provides that the amount be increased to \$15, including increases relative to indexation.

Mr Brian Burke: That is a good point. I am willing to agree with you; if you withdraw the reduction in the lump sum payment we will withdraw our opposition to the other part you are talking about.

MR O'CONNOR: The Opposition does not agree with the lump sum payment in respect of industrial diseases, but that is something these people want and something they have never had before. Under this Bill, people suffering from industrial disease will be able to draw a lump sum. I do not intend to withdraw that provision because it will be a benefit to the worker. If the Opposition has its way, and the second reading of the Bill is defeated, this is one of the things which will be taken away from people affected by an industrial disease.

This Bill also provides for victims of mesothelioma, those very unfortunate people who, once the disease is diagnosed, generally have less than two years to live. If the second reading of the Bill is defeated, these people would have to wait six months—one-third of their expected remaining life—for payment, and would be unable to obtain the lump sum provided for in this Bill. The Government is trying to be compassionate towards these people by providing them with immediate relief so that they may draw a lump sum immediately and provide for their families.

The Opposition also would be defeating the provision in the Bill for the rehabilitation and assistance of handicapped people. Therefore, I believe members of the Opposition should reconsider the Bill closely before they oppose its second reading; before they decide children will

not receive double the amount of payments they receive now—

Mr Brian Burke: Before the maximum payment is reduced.

Mr O'CONNOR: —before they decide victims of mesothelioma will not receive assistance; and, before they decide handicapped people will not be rehabilitated and assisted in the way provided for in the Bill.

This Bill will provide compassionate assistance to workers and will be of great assistance to employers. It will also greatly speed up payments in connection with industrial accidents and disease.

The Leader of the Opposition and the member for Fremantle referred to the fact that the Minister would have control over who was appointed to the Workers' Compensation Board and the Premium Rates Committee. The Minister has that power now, so there is virtually no change to the legislation.

Mr Parker: That is untrue. The Minister is required to accept the nominee of the Trades and Labor Council and the Confederation of WA Industry.

Mr O'CONNOR: The Minister has that control now.

Mr Brian Burke: Then why change it?

Mr O'CONNOR: We are trying to overcome problems which have developed, and of which the Leader of the Opposition would be aware, whereby there is on the board a representative of the TLC whom the TLC does not want on the board. According to the information I have received from the Crown Law Department, there is no way in which I can dismiss that individual.

Mr Parker: That is probably true, and we have said we will accommodate you.

Mr O'CONNOR: I believe the Bill will cater for that situation.

The member for Fremantle referred to the Irish bricklayer, a person who was a worker and virtually an employee of himself. It is a difficult problem to overcome. I am quite happy to discuss the issue in Committee. The matter has been raised with the TLC and other organisations, but it is difficult to arrive at the right wording and cover.

The aspect of people being out of the State for 24 months being covered during that time was also raised by members opposite. The word "continuously" is used so that if the individual returns for a holiday and then goes overseas again, he is covered for a further two years.

Mr Parker: What if he goes to Europe, instead of Australia, for his holiday?

Mr O'CONNOR: In that case, he would be in trouble. The legislation is designed to cover Australians working under our awards. However, if they are out of Australia for a period in excess of 24 months, they would not be covered.

Mr Parker: So, he would have to take his chances under the Indonesian or Saudi Arabian workers' compensation legislation.

Mr O'CONNOR: The legislation encourages him to return to spend his holidays in the greatest country in the world. We cannot provide for people who live permanently outside Australia, and we believe that 24 months is a fair limit to place on these people. We are trying to cater for people on oil rigs, and the like.

Generally speaking, if members consider the legislation honestly and fairly, they will agree it is not bad legislation.

Mr Brian Burke: You do not expect us to agree with every part of it, do you?

Mr O'CONNOR: Certainly not. If members opposite put up legislation, no doubt I would not agree with everything it contained, either.

Mr Parker: Yet you are criticising the Opposition for opposing the second reading of the Bill.

Mr O'CONNOR: I was simply pointing to what the Opposition was opposing; I thought it relevant that the matter should be placed on record.

I believe the provision in the Bill relating to a substantial deviation of the normal route between home and work place to be fair and reasonable. We must bear in mind the Bill covers people travelling to and from work, working split shifts, and the like. However, it cannot cover a worker who is injured travelling 20 miles to his aunty's place, which may be in the opposite direction to his own home. Of course, difficulties arise in this area in connection with the onus of proof.

Mr Skidmore: They are only litigation difficulties.

Mr O'CONNOR: When a person is at work, his employer has some control over what he does and where he is. However, if the worker lives at Bassendean and works in Midland, and is injured at Fremantle after leaving work, that would be considered a substantial deviation.

Mr Skidmore: The courts recognise that; I agree with you.

Mr O'CONNOR: The board has discretion in this area.

Mr Parker: I raised a slightly different point.

Mr O'CONNOR: I will try to cover it in Committee.

The member for Fremantle raised the question of a person misrepresenting himself when applying for employment. The Government believes this legislation must provide protection for employers as well as employees. The wording in the Bill is "where he wilfully and fraudulently represents himself": in such cases, he may not necessarily be covered by workers' compensation.

However, the member for Fremantle went on to cite the example of a person who did not reveal he had a back injury and then had a foot cut off; he claimed that in such instances, the worker would not be covered by workers' compensation. The board has a discretion in such matters. We must remember that the board comprises judges, representatives of the TLC, and of the Confederation of WA Industry and others, all of whom I have found to be fair and reasonable people; I believe they would consider these matters fairly and in such cases, payment would be made.

I believe members generally know why we included the provision relating to dismissal or misbehaviour. It is to try to ensure we have people on the board who are the right sort of people to represent the various organisations.

The point made by the member for Fremantle relating to industrial deafness is taken; work is progressing in that area.

At this point I wish to pay tribute to Mr Neesham, who has been assisting me and interested organisations in the formulation of this legislation. He has kept in touch with all the States and, indeed, has been available for discussion at all times with the parties involved in this matter. I convey my thanks to Mr Neesham for the work he has done.

Mr Parker: All the people who have dealt with Mr Neesham would concur with your sentiments.

Mr O'CONNOR: The member for Fremantle referred to the number of appeals which could be made against this legislation. If an appeal were found to be frivolous the costs would be awarded against the individual concerned, so this would be a deterrent to any person thinking of doing that.

I thank members for their comments and hope that, having heard my remarks, the Opposition will rethink its views about opposing the second reading of the Bill.

Question put and a division taken with the following result—

Ayes 24

Mr Blaikie	Mr Laurance
Mr Clarko	Mr Mensaros
Sir Charles Court	Mr Nanovich
Mr Cowan	Mr O'Connor
Mr Coyne	Mr Old
Mrs Craig	Mr Rushton
Dr Dadour	Mr Sibson
Mr Grayden	Mr Spriggs
Mr Grewar	Mr Stephens
Mr Hassell	Mr Trethowan
Mr Herzfeld	Mr Young
Mr P. V. Jones	Mr Shalders

(Teller)

Noes 16

Mr Barnett	Mr Grill
Mr Bridge	Mr Hodge
Mr Bryce	Mr T. H. Jones
Mr Brian Burke	Mr Parker
Mr Terry Burke	Mr A. D. Taylor
Mr Carr	Mr Tonkin
Mr Davies	Mr Wilson
Mr Evans	Mr Bateman

(Teller)

Pairs

Ayes	Noes
Mr MacKinnon	Mr Jamieson
Mr Tubby	Mr Bertram
Mr Williams	Mr McIver
Mr Sodeman	Mr Harman
Mr Crane	Mr I. F. Taylor
Mr Watt	Mr Pearce

Question thus passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr Clarko) in the Chair; Mr O'Connor (Minister for Labour and Industry) in charge of the Bill.

Clause 1: Short title—

Progress

Progress reported and leave given to sit again, on motion by Mr O'Connor (Minister for Labour and Industry).

HOUSING: INTEREST RATES

Mortgage Relief: Motion

MR WILSON (Dianella) [4.37 p.m.]: I move—

That in the opinion of this House the Court Government has failed to recognise the disastrous impact on prospective and established home buyers in Western Australia resulting from spiralling interest rates brought about as part of the deliberate monetary policy of its fellow Liberal Government in Canberra.

This failure is evident in—

- (a) its lack-lustre approach to the Canberra Government to have home loan interest repayments made tax deductible;
- (b) a lack of will and ingenuity on the part of the Government in committing itself to new positive initiatives to ensure that home ownership is within reach of low and middle income earners; and
- (c) over restrictive guidelines governing operations of the mortgage assessment relief committee.

Therefore and in order to boost prospects for new home buyers and guard against widespread social disruption which will inevitably arise from a breakdown in security of tenure for large numbers of families as interest rates continue to rise, the Government should immediately—

- (i) make greater efforts to bring more effective pressure to bear on the Canberra Government to have home loan interest rates made tax deductible as part of an impending mini budget;
- (ii) give serious consideration to the Opposition's proposed family allowance conversion scheme for home buyers; and
- (iii) broaden the guidelines governing the referral of hardship cases to the mortgage assessment relief committee.

Possibly the only thing that can be said for certain about the present State Government is that it is a smug, self-satisfied Government which tackles the issues of greatest concern to the people of our State at best in a haphazard, leisurely manner. This haphazard, unco-ordinated, and leisurely approach to the issues of crucial concern to ordinary people has been most marked in the Government's failure to recognise the disastrous impact on prospective and established home buyers in Western Australia of spiralling interest rates and in the lack of co-ordination and sense of urgency evident in its response.

In some respects—and it is a very puzzling phenomenon—the Honorary Minister for Housing has been at pains in this place to seek to minimise the extent of this impact by talking down the effects that the spiralling interest rates are having on ordinary people. He has tried to tell us how we are so much better off than are people elsewhere and how, if we take a long-term view

over an entire lifespan, we find these interest rate increases are virtually negligible.

I wonder how he would get on if he went into the electorate and tried to tell that story to some of the people who are going through the trauma that is affecting so many families today. He may say only some hundreds of families out of the tens of thousands of families who are borrowers are having troubles, but it has been admitted by the building societies that there are many people facing difficulties which result from the savage interest rate increases.

Perhaps he feels bound to take this line because he is a faithful disciple of the Federal Treasurer. If he is he would be one of the very few such people at present in Australia. The Federal Treasurer feels bound to keep telling us that he predicts—like Nostradamus—that interest rates have peaked or have levelled out. Everybody else in the community, including people involved with lending and financial institutions, keep saying the opposite. In fact, a recent comment was made by the Australian Permanent Building Societies Association. It is very pessimistic about housing interest rates not rising in the future. A Press report of the association's remarks states—

... the mortgage rates of both savings banks and building societies were now well above the levels reached during the years of the Whitlam Government.

The recent sharp rises in interest rates had affected the 1.2 million householders currently servicing a mortgage.

For the majority, repayments move in line with interest rate changes.

With the recent interest increases, borrowers with loans of just over a year have faced increases of up to 2.5 per cent in their mortgage rates since taking up their loans.

On a \$30 000 loan, this represented an increase of around \$55 a month in repayments.

The association's newsletter says there have been calls for fixed rate mortgages, or alternatively a freeze on rates in the first few years of the loan.

The association went on to call for the implementation of a number of measures which it feels are necessary to bring about relief to people suffering from increased interest rates; and the association commented that rising interest rates not only increases monthly repayments, but also decrease a person's eligibility for a loan. The article states—

Of a typical society loan of \$30 000, each one-half of one per cent rise in the mortgage rate raised monthly repayments by \$11.40 and income eligibility for that loan by \$10.50 a week.

For the family on a median annual income of \$15 000, each one-half of one per cent rise in the interest rate reduced their borrowing capacity by around \$1 000.

These remarks have been made by people in the industry, the people most concerned for borrowers because borrowers are dependent upon them.

Other comments may be referred to. A news release dated 9 October from the Western Australian Permanent Building Societies Association refers to the latest Australian Bureau of Statistics figures for approved loans for all purposes. For August this year they total \$29.5 million compared with \$32 million for July this year, and \$32.2 million for August last year. The release states—

In the new dwelling section, the amount for individuals was \$7.4 million, compared with \$8.6 million the previous month and \$9.6 million in August 1980. This amount provided loans for the construction of 168 dwellings, compared with 206 dwellings in July, and 254 in August last year.

In regard to the present housing situation a Press article dated 10 October states—

... rents for all types of homes are going up and could rise as much as 50 per cent by the end of 1982.

Over the past week or so the vacancy factor in all types of homes for rent has been down to 2.2 per cent. Allowing for the changeover in occupants, this virtually amounts to a full house.

Rents have gone up 10 per cent this quarter and a similar rise is expected in the first quarter of next year. Indications point to further rises in each succeeding quarter of next year.

I referred previously to comments made by the Federal Treasurer. We do not deny or seek to minimise the fact that higher interest rates are being induced and sustained by the present Federal Liberal Government by way of its economic policy and its use of money supply as the principal instrument by which it controls the aggregate level of money demand in the economy. The Fraser Government's extreme monetarist approach to the economy involves a monetary policy of deliberately induced high interest rates in order, first of all, to depress the level of

demand for consumer durables such as housing; secondly, to squeeze and restrict money supply to accommodate massive amounts of foreign capital to flow into the country; and, thirdly, to control the rate of growth in the economy.

One often unrecognised fact in this process is that increases in interest rates and, consequently, the cost of consumer credit on housing, cars, furniture, etc., is not reflected in the Consumer Price Index. The Federal Government has continued to resist efforts to have such factors included in the CPI; so we have a situation of interest rate increases not being reflected in formal statements about the rate of inflation. In fact, we have an understatement in real terms of the true effect of increasing interest rates on home buyers and others in the community.

If we are to talk about the Federal Government and the fact that the major blame for savage rises in interest rates is the policy of the Federal Government, we must consider all the approaches made to the Federal Government by the State Government; and, in particular, by the Premier and the Honorary Minister for Housing who have made approaches to their Federal counterparts. After all, these people belong to one and the same party—one would think they have something in common. These approaches have been made in order to bring about relief to the hundreds of families beleaguered by the deliberate Federal Government policy to which I have referred. If we closely scrutinise those approaches we realise that they are a clear example of the lacklustre, uncoordinated, and haphazard approach which this Government adopts towards various things.

Mr Brian Burke: There is absolutely no direction or purpose at all in its economic strategy.

Mr WILSON: What benefits can we see from their efforts? We know the Premier has made many noises about his disapproval of the Federal Government's policy, and we know he sent one of his junior Ministers, the Honorary Minister for Housing, to a conference in the Eastern States—after that Honorary Minister had managed to return from his jaunt to Honolulu or wherever. We know that while the Premier was barking at a distance the Honorary Minister was making a few bleats, and tut-tutting about what had occurred, but it all was to no avail. We must begin to believe that the Premier's bark has become greater than his bite because for all his barking—as well for all his Honorary Minister's bleating and tut-tutting—the Federal Government has remained unmoved and implacable, and quite unexcited by the approaches made.

Mr Davies: The Premier has agreed that Fraser is the best man they have.

Mr WILSON: If we use the terminology which is currently in vogue in the Liberal Party we would have to say that we have a problem with the "wets" here. We have a real problem with the "wets". We have not had any of those direct approaches to the Federal Government by members from Western Australia. We had such approaches when there was a dispute about airline fares. The Premier summoned Government senators and Federal members to a royal audience and dressed them down for being unfaithful to the people of Western Australia because they were not upholding the policies which were in the best interests of the people of this State. We have not had anything like that or anything to the same degree of urgency on this matter.

Mr Rushton: You are distorting the facts.

Mr WILSON: Not only have we not had that degree of urgency, but from time to time we have had several attacks. If the Minister for Transport wishes to correct me and wishes to indicate that the Premier has summoned those members on the question of interest rates, I would be very pleased to be corrected.

Mr Rushton: I said you were distorting the truth again.

Mr WILSON: Am I distorting the truth in saying what I have just said? We know the Federal Government representatives of Western Australia are the leading "wets" in the Federal Liberal Party. In fact, we might say that the Liberal Party Western Australians are the "wettest" in the whole of Australia in terms of their economic policies and their approaches to economic issues.

There has been a general lack of enthusiasm in the approach to this matter. The matter has been approached without the degree of urgency that one would expect in response to the hardship confronting hundreds of Western Australian families as a result of this interest rate increase.

What about the State Government's own initiatives? What about the sort of ingenuity it has shown and the kind of initiative programmes it has been able to introduce to bring about the change in the situation in Western Australia?

Mr Laurance: Very correct description.

Mr WILSON: It is a description I would like to be able to use with greater conviction. I see the Minister is even smiling at his own remark. The facts of the situation are that the Government has made a great deal of noise and has had this

situation drawn to its attention over a long period of time.

I will quote from a Press report of 8 February in which it was stated that banks and building societies were alarmed by the number of people unable to meet their mortgage commitments. It said that many low income families have been forced to sell their homes, often at a loss, because they could not meet loan repayments. It said that senior executives told the Western Australian Housing Minister (Mr Laurance) that there had been a dramatic increase in the number of people in arrears with payments to building societies.

In February of this year, those executives were telling the Honorary Minister the situation, but he did not get around to doing anything about it or to announce anything about it until August. What he was doing in the meantime, I do not know. I do not know what the Government was doing in the meantime.

Mr Laurance: You will find out very shortly.

Mr WILSON: I did hear that when the so-called package of so-called proposals was put to Cabinet, it was rejected initially, but was subsequently accepted.

Mr Laurance: Wrong!

Mr WILSON: I do not know what the problem was, but it was certainly fact that the Government had been forced reluctantly into taking initiatives in this area. It took the Government many months before it did anything about it. Of course, action was taken only after the Government had been consistently hounded by the present Leader of the Opposition. When action was taken, the Government copied many of the suggestions of the Leader of the Opposition, albeit in a rather anaemic way.

However, in the meantime, we have seen that those measures have not been able to cope with the problem in any way near an effective manner. We know that the numbers of families with home loans who are having those loans foreclosed is increasing. We have not had any effective answer to the problem from the Honorary Minister.

We should be considering the preparation of legislation to allow a moratorium on mortgage foreclosures. The continuing upward climb of interest rates makes it inevitable that home loan payments will continue to rise. Those people who are not confronted with extreme difficulties at present will be in difficulties by July of next year if the predictions of the building societies and lending authorities are taken into account. They will certainly be in serious difficulties and such pressures on foreclosures will be imminent.

Such provision has been made in legislation on other forms of credit. In some instances there are moratoriums on the forfeiture of goods, but I feel the maintaining of the family home is more important.

Mortgage moratorium legislation should provide for suspension or a reduced rate of payments and extensions. That move should form part of any forward-looking compassionate package of measures compiled to alleviate the difficulties being faced at present and which will be faced by an increasing number of Western Australian families in the future, should interest rates continue to rise as lending authorities consistently predict.

Perhaps we should consider the relief measures the Honorary Minister introduced, with a great fanfare, at the beginning of August this year. Those measures were the recommendation of the mortgage assessment and relief committee, although for a long period there was a great deal of confusion about how it was to operate, who it was to cater for, and so on. It was eventually possible to prise this information from the Minister and there were newspaper articles which explained to people what might be expected as a result of this measure.

The Leader of the Opposition made it quite clear to the Honorary Minister as early as February that there were severe problems in this area. Although the Honorary Minister was able to make the announcement about the setting up of this mortgage assessment and relief committee in August, it was another five weeks or so before anything got going. That does not demonstrate a sense of urgency, I suggest, or a true recognition of the serious problem facing people confronted by increasing interest rates.

One would have thought that if this move had been thought out carefully in advance, the Government would be ready to move as soon as the announcement was made, rather than keep people hanging about for another four or five weeks before the committee became effective. Of course, for many people it has been a much longer wait than that because the process of referral has been a quite lengthy one.

A great deal of dissatisfaction has been expressed about the method of referral to the committee. I would like to quote information from a reply which the Minister gave to one of my questions today. To date 119 cases of hardship have been referred to the committee. We must remember that in order to be referred people applying for relief must go through a thorough screening process by their own lending

authorities. The Government has laid down quite stringent guidelines in regard to referrals; for instance, the weekly repayments of a mortgage must represent more than 20.5 per cent of the income earner's weekly wage. According to the guidelines people who are seeking assistance because they have been unemployed or sick will not be considered. That is a very restrictive provision.

It is not very satisfactory to say to people affected by savage increases in their mortgage repayments that they should have insured against the eventuality of unemployment or sickness. Many of these people have had no option but to cease payments on such mortgage insurance policies. That is one of the ways they have managed to cope with the increases in mortgage repayments. So if some people have let their mortgage insurance policies lapse in an endeavour to meet their mortgage repayments, it is rather harsh to penalise them further. Such people will find very little consolation in the Government's attempts to assist, and they will have little faith in the Government's attempts to offer relief of any kind to people suffering hardship.

Of the 119 cases referred to the committee, 60 only have been approved; 18 cases have been deferred, and 21 cases rejected. So approximately one-quarter of the cases referred to the committee, apart from those deferred, have been rejected, and this figure is fairly constant. When the Honorary Minister released details of the number of cases approved and rejected a few weeks ago, 15 cases had been approved and 45 rejected.

One would have to ask what sort of relief measure this is when people, having gone through a thorough screening so that they may be referred to the relief committee, are then rejected by it. What will happen to these people? How will they cope? Presumably their own lending authorities have considered already what they could do to relieve their repayment situation and have found that adequate relief measures were beyond their capacity. Therefore, one can only imagine that the cases that are rejected by the committee will be consigned to limbo—consigned to foreseeable foreclosures.

Many complaints have been made to members of Parliament about the way lending authorities are dealing with people who apply for referral to the mortgage assessment and relief committee. Some people have felt quite aggrieved at being turned down for referral, particularly in view of the "blurb" that the Honorary Minister put out with a great deal of fanfare. Many people felt that the committee would help them, but they are

now discovering that all the fanfare was empty rhetoric and that very little help is available to them.

Other members on this side of the House will raise different issues. Because of the Government's smug, self-satisfied approach to such problems, and because of its lack of recognition of the real hardship facing hundreds of families, one assumes that the Government would feel obliged to defeat this motion. If the Government is compelled to do that for its own motives, I can only hope that because this motion has been brought to the attention of the House, and to the attention of the public generally, the Government might be moved to adopt a greater degree of urgency in its approach to the Federal Government for appropriate relief measures. Also, I hope that the Government will show a willingness to extend the guidelines for the operation of the mortgage assessment and relief committee. Then at least the motion will have been beneficial in widening the scope of relief for those hundreds of families in Western Australia who stand to be so severely disadvantaged by the current interest rate situation.

MR BRIAN BURKE (Balcatta—Leader of the Opposition) [5.08 p.m.]: Mr Acting Speaker—

The **ACTING SPEAKER** (Mr Nanovich): Are you seconding the motion?

Mr BRIAN BURKE: Yes, I rise to second the motion, Mr Acting Speaker, and to ask members on the Government side whether they really believe that high and rising interest rates are a burden to many families in our community. I make the statement quite plainly that the Government is not sincere in its concern about the effects of high interest rates. I hope that the constituents who live in electorates represented by members on the Government side of the Chamber can judge clearly for themselves just where their representatives fall on this issue.

Mr Wilson: Fall they will.

Mr BRIAN BURKE: It is demonstrable that the Government is insincere in its attitude towards this question. It is demonstrable in the following manner: We all know that the Honorary Minister for Housing has been very active in supporting the Opposition's calls for the restoration of income tax deductibility for home loan interest repayments. You will know that is true, Mr Acting Speaker (Mr Nanovich), and I am sure the Honorary Minister for Housing will not deny that fact.

Mr Laurance: What was that?

Mr BRIAN BURKE: The fact that the Government has been very effective in supporting the Opposition's calls for the reintroduction—

Mr Laurance: Rubbish! Other people right around Australia have supported our moves.

Mr BRIAN BURKE: Now we will see the sincerity of the Government, because that is the answer I wanted. I am very pleased that the Honorary Minister has seen fit to give us that answer. The Honorary Minister was one of those who called on the Fraser Government to remove income tax deductibility as instituted by the Whitlam Government. That is how sincere this Minister is.

Mr Laurance: You are drawing a long bow.

Mr BRIAN BURKE: This Honorary Minister was one of those who led the fight when the Opposition warned that income tax deductibility of mortgage repayments should be retained. The Honorary Minister opposed any calls for the retention of that scheme and said that income tax deductibility for home loan interest payments—a concept that you have publicly supported, Mr Acting Speaker (Mr Nanovich)—should not be retained. That is what the Honorary Minister said, the Honorary Minister who now wants to say that he is in the van of moves to restore income tax deductibility.

Mr Laurance: On an equitable basis. It was a hopeless scheme before.

Mr BRIAN BURKE: I wonder whether the Deputy Premier is aware of the way in which this Honorary Minister has done an about face. I am sure that is not the way the Deputy Premier operates. When it suits the Honorary Minister he abandons income tax deductibility, and when the situation changes five minutes later, he seeks to bring it back.

Mr Stephens: That's flexibility!

Mr BRIAN BURKE: The National Party would know a great deal about flexibility.

Mr Laurance: It was a hopelessly ineffective scheme.

Mr BRIAN BURKE: I am sure that not even the National Party or the National Country Party would tolerate a Minister who at one time wants to do away with income tax deductibility on home loan interest repayments, and then, within a few months—two years at the most—wants to bring it back again.

Mr Laurance: You will want Gough back yet.

Mr BRIAN BURKE: Little wonder that we doubt the sincerity of this Government on the question of home loan interest rates.

The Opposition has one or two brief suggestions to put to the Government in the hope that it will do something about this matter. The first suggestion is this: If the Government is sincere in its concern about the burdens people are having to bear, then let the Government replace the present Honorary Minister for Housing with a senior Minister. We want proper recognition accorded to this problem. It should be handled not by an Honorary Minister, but by one of the senior members of the Government. I am absolutely amazed that the Premier is able to say that he recognises, that he understands, that he appreciates the problem, but is content to have this very serious matter handled by the most junior member in his Cabinet.

Mr Laurance: You would be a pretty junior Leader of the Opposition at the moment, wouldn't you?

Mr BRIAN BURKE: Housing is handled by the most junior Minister of the Government. Is that where the Government ranks this problem? Does the Government say that this problem is the least of the difficulties facing the people of this State? That is what it is saying in handing the matter to the Government's most junior Minister, and in refusing to appoint, to superintend this difficulty, a senior member of Government.

We say without equivocation that we urge the Premier to appoint a senior Minister to handle what is a very difficult and burdensome problem. We will not accept that a Minister who can present an about face similar to the about face I have outlined to the House, and a Minister who is the most junior Minister in the Cabinet, is the most suitable person to handle a sensitive and delicate problem.

Mr Coyne: Well the shadow Minister is not very helpful either. I think you could have made a better choice than he.

Mr Tonkin: Why do you say that? Come on, substantiate that.

Mr Shalders: The Opposition has not got any senior ones left!

Mr BRIAN BURKE: I am very proud of the contribution made by the shadow Minister for Housing.

Mr Coyne: You are easily pleased.

Mr BRIAN BURKE: The member for Murchison-Eyre attempts to evade the fact that his party is the party in Government. It is not our party which assigned the job of Minister for Housing to the most junior Minister in the Cabinet.

Mr Laurance: You are weak here—that is why you have to raise your voice.

Mr BRIAN BURKE: We are simply saying that if the Premier and his Government are sincere about this difficulty, then let the Premier take on the problem himself. Let the Premier attend to it, or let him assign it to his deputy. Let the Premier not leave it languishing in the hands of an Honorary Minister who contradicts his own positions within the space of a very short period.

Mr Shalders: Your senior shadow Ministers have all been sacked.

Mr BRIAN BURKE: I do not want to dally with the member for Murray, but I am prepared to accommodate him, and to accommodate the other members of the Government by explaining that if they cannot understand the fundamental difference in the role of a Minister compared with that of a shadow Minister, God help the Government! It is a ship without a rudder in terms of economic direction now; but how will it go when it is confronted with the sort of logic of the member for Murray who says, "If we are bad, you are just as bad. Having a Minister is the same as having a shadow Minister"? There is no logic in the position put by the member for Murray. He can giggle; he can laugh; he can do what he likes to relieve himself of his discomfort.

Mr Shalders: I am watching your discomfort, wriggling away there.

Mr BRIAN BURKE: The point is that this very delicate, very burdensome problem rests in the hands of the most junior Minister of the Government. That is not good enough.

As the shadow Minister for Housing informed the House, other speakers wish to touch on one or two aspects of the motion. I will deal simply with one particular aspect that we put forward as part of the answer to the problem faced by the Government.

We acknowledge that the Honorary Minister included in the guidelines for his mortgage assessment and relief committee many of the propositions we put forward. We do not begrudge the confiscation of those ideas from us by the Honorary Minister. We say that he was tardy in implementing them, and that had he acted sooner he could have relieved the difficulties faced by many people who are forced to sell their homes.

It is time that the Honorary Minister took a more realistic look at the guidelines under which the committee is operating. However, we say, "Thank you very much for appropriating the ideas we put forward". We ask the Honorary Minister to consider one of the other propositions that we have raised previously, because until now

he has simply been able to say to us, "The matter is being considered". He has not been able to say, "It is unworkable for the following reasons", or "It's a good idea, and it will be implemented".

We ask the Honorary Minister to make a statement of his position on the family allowance conversion scheme. If the most junior Minister in the Parliament has to handle an area as sensitive as this one, we cannot expect statements of position because he does not have the experience; he does not have the seniority within the Cabinet that is needed to act quickly and with authority on problems and solutions in this area.

Let me point out some of the details of the family allowance conversion scheme. The Opposition is proposing that families be permitted to borrow up to 90 per cent of the family allowances they expect to receive over the eligible lifetime of the children in the family. The amount of up to 90 per cent could be made available only if families intend to pay part of the deposit on a home, or discharge part of the mortgage that they are having difficulty in repaying.

This scheme could be financed, if the Government chose, by borrowing the money and being liable only for the interest accruing on it. The lump sum payment would be repaid by the families who would assign to the Government their right to receive family allowances. They would assign to the Government the monthly payments corresponding to the level of family allowances they received. Once established, the scheme would turn over as people participated, repaying automatically that part of their family allowances used to discharge the scheme.

Mr Coyne: Financing credit with credit. It just does not work.

Mr BRIAN BURKE: Already the system has been adopted and used by many agencies in this State. The Honorary Minister for Housing knows that because he has received representations from me about the payment of rent on the part of certain tenants by the same method proposed in this scheme. He must know of those, because I have negotiated them with the State Housing Commission on behalf of tenants. The SHC has accepted that as a basis for allowing delinquent tenants to remain in their homes on the assignment of a periodical payment through a bank amounting to the sum of the family allowance received. The Honorary Minister must know of that, because it has been negotiated with the commission.

The next thing on which I wish to touch briefly is the effect of implementing a scheme of this sort. If we take a family with one child, 90 per

cent of the family allowance paid over 15 years is \$2 462. That \$2 462 could be paid as part of the deposit on a home, or used to discharge part of a mortgage. With two children, the amount rises to almost \$6 000; with three children, almost \$12 000; with four children, \$17 000; and with five children, \$24 000. That is the sort of proposal on which we want the Government to take a position.

We do not think the proposal is unreasonable. We have raised it, and we have explained it in detail. We have seen it operating in a similar form in New Zealand. We know that a similar method of payment is used by the SHC in respect of delinquent tenants whose rent has to be guaranteed. However, the Government refuses to state its position.

Let us take some realistic examples. The first one is that of a family with two children aged two and four years. The amount of money that the family could borrow under this scheme is \$4 712. That \$4 712, if borrowed to pay off an existing mortgage, would result in a reduction of an average mortgage over an average period of \$53 per month in the repayments the family is obliged to make. Can the Honorary Minister tell me what is wrong with that?

Mr Pearce: Dead silence!

Mr Laurance: In short order.

Mr BRIAN BURKE: Can the Honorary Minister tell me why the scheme would not work?

Mr Laurance: Shortly. You sit down, and I will reply.

Mr BRIAN BURKE: In the case of a family with three children aged two, four, and five, the amount that could be borrowed is \$9 000. If \$9 000 is borrowed and paid off the average mortgage, the reduction in monthly payments is \$102. Is there some reason the Government does not want to do that?

I am not saying that we will have enough money to solve everybody's problem. What I am saying is that it is a way of assisting families in distress. It is by no means the most expensive proposition that the Honorary Minister could entertain or implement.

Let us take the case of four children aged seven, five, four, and two. That family could borrow \$12 368; and if it paid that amount off its mortgage, the reduction in its monthly repayments would be \$142. Is someone opposed to a family being allowed to reduce its commitments in that way?

In the case of a family with five children aged 11, seven, five, four, and two, the maximum that

could be borrowed is \$14 261. Paid off a mortgage, that \$14 261 would result in a reduction of \$164 per month in that family's repayments. I cannot see why nothing of this nature has been raised—

Mr Laurance: What is the amount per month from the family allowances for the five children?

Mr BRIAN BURKE: These figures are calculated on the new rates for family allowances to apply from 1 January next year. They involve the diversion of the entire family allowance to repay this lump sum entitlement.

Mr Laurance: How much would they be getting per month from 1 January for five children? Have you got that figure there?

Mr BRIAN BURKE: No. As far as I understand, there has been no calculation of the increases in family allowances after 1 January. Members know that increases will apply from 1 January; but any additional payments would go to the family.

Mr Laurance: You said it would lower their monthly repayments by \$162 a month. They have already bargained away their family allowance. What is the net impact on their income?

Mr BRIAN BURKE: I can say, from my own case, that with four children the family allowance is in the region of \$85.

Mr Laurance: From 1 January 1982 they are going to be substantially higher. You might find that their mortgage comes down by \$162 a month, and they lose out on their family allowance of \$160 a month. It does not seem to me that they are any better off.

Mr BRIAN BURKE: I can speak only of the case of a family with four children. There is the situation in which, at the lower interest rates, the people have a saving of \$142. I do not know whether the Honorary Minister is proposing that the substantial allowances, which do not apply to the third child at all, but only to the fourth and fifth children, will rise very much. That is not my understanding. My understanding is that the increase in the family allowance will still mean a saving of at least \$30 a month in the family budget.

Mr Laurance: The way you put it, it sounded as if they were saving \$162 a month.

Mr BRIAN BURKE: I said that the reduction in the monthly repayments for people with four children would be \$142, and with five children it would be \$164. This matter has been put forward on three or four occasions, and the Honorary Minister has said that it has been investigated. He has not given any details of the investigation, and

he has not put forward a substantial reason, apart from saying that the scheme would not work.

The only reason the Honorary Minister has put forward for suggesting that the scheme would not work is that the family allowance is a Federal payment. The Opposition concedes that. However, we say that it would be a death-wished Federal Government that proposed to abolish family allowances. The Opposition says that the lessons of history, which the Premier is so keen to point out to us from time to time, are that family allowances are likely to rise rather than fall.

Mr Laurance: Are you supporting the Fraser Government for its introduction of family allowances? Obviously you are.

Mr Tonkin: Introduction?

Mr BRIAN BURKE: Family allowances were simply the conversion of child endowment. Child endowment was paid in New South Wales in 1920s, I think. Certainly, federally, child endowment was paid during the 1940s at least. I am sure the Honorary Minister knows that that is the case.

Mr Shalders: What would be the effect if one of the children were to die?

Mr BRIAN BURKE: That is a valid point. When the Opposition put this scheme forward, it did so in detail. Included in the scheme is an insurance provision so that, in the unfortunate death of one of the children, the family would not be involved in repaying the money that had been lent in respect of that child.

Another provision covered the case of a marriage breakup. In addition, we put forward detailed proposals about what would happen if the family home was sold. All of those details are available. I will not delay the debate unnecessarily by going through them all.

I want the Minister to explain to us why people should not be given the choice of taking advantage of a scheme such as this, if they wanted to do so.

We are not saying everybody should be forced to take advantage of the scheme, nor are we saying that families should be made to forgo their family allowances in favour of a lump sum. We are simply saying, "Give families the choice". If, as the Minister seems to think, the net saving is only \$10 or \$30 a month, then let the family decide not to take advantage of the family allowance conversion scheme.

The Opposition is not worried about doing anything more than giving families a choice. This Government boasts so frequently that it is a Government keen to give people a wide range of

choices about their own personal finances and fortunes; so why cannot that be done in this instance?

In putting forward this case I am not trying to evade any of the difficulties I see in the family allowance scheme. I am willing to point out to the Minister the greatest difficulty I see as being involved in the scheme which is that, for many families, the family allowance is an amount of money reserved for the wife's use and devoted properly by her to the care of the children specifically. I would hate to think the scheme would result in that sort of situation being disturbed, because in many cases it is a desirable situation.

At the same time, however, there are many people who would take advantage of such a scheme were it offered, knowing that the scheme involves not one whit of compulsion and that it does not make anyone do anything. The scheme should simply say, "If you want to take advantage of this, then do so". The Opposition puts forward its point of view honestly and earnestly in the hope that the Minister will take it up and explain to the Parliament why he considers the scheme would not work and why he will not implement it.

I support the motion moved by the member for Dianella.

MR LAURANCE (Gascoyne—Honorary Minister Assisting the Minister for Housing) [5.32 p.m.]: I should like to thank firstly, the Leader of the Opposition and, secondly, the spokesman on housing for bringing this matter before the Parliament, because it has provided a God-sent opportunity for the Government to outline all the initiatives it has taken in the housing field. Had I prayed for such an opportunity, I would not have imagined that it would be presented as handsomely as it has been today.

The Leader of the Opposition referred to an "about face" on my part. However, I should like to point out that he did a complete soft shoe shuffle on this matter. Yesterday the Leader of the Opposition gave notice that he intended to move this motion today. He then lurked around trying to get out of taking the call to move the motion today. The Leader of the Opposition deferred to his brand new spokesman on housing. Obviously that strategy was intended to be terribly clever, but I have not worked it out yet.

Mr Brian Burke: You have not worked out anything, brother!

Mr LAURANCE: I cannot understand the back-to-front approach adopted by the Leader of the Opposition.

Mr Barnett: Get yourself orientated and get on with the debate.

Mr LAURANCE: We are glad to have the opportunity to repeat once again the initiatives taken by the Government in relation to its housing programme which have been outlined to the public over the last few months. Indeed, the story is a good one and a great deal has happened. Challenges are facing us in the housing field and the Government is meeting them. Many opportunities are available in this State and the Government is making the most of them. The housing story is a good one and, for that reason, we reject the motion outright.

At the present time we are experiencing high interest rates and they are part of the national fiscal policy. This State does not agree with that national policy and we have made that quite clear. I do not think there would be a person in Australia who would not understand this State is opposed to the national fiscal policy which has been adopted by the Federal Government in relation to housing.

Realising that policy and trying to do as much about it as we possibly can at Premier and State Government level, this Government has utilised the resources available for housing to plug the repayment gap which has resulted from the increases in interest rates in recent times. We have tried to do this in two ways. Firstly, we have endeavoured to do this by assisting low to middle income earners in a number of ways, but specifically by providing interest subsidies through permanent and terminating building societies in this State. As a result, the effect of high interest rates has been cushioned effectively for a substantial number of people in the low and middle income groups.

Secondly, the Government has attempted to plug the repayment gap by providing relief for the people who are locked into the system already. I refer to people who have found their loan repayments have increased substantially since they took out their loans and whose increases have been particularly noticeable in the last year or two. We have given those people an avenue through which they can obtain relief. We have arrived at flexible guidelines. Each case is treated on its own merits, and these guidelines have proved to be an effective means of providing mortgage relief.

Mr Barnett: How many have been helped?

Mr LAURANCE: Hundreds of people have been assisted.

Mr Barnett: That is not true.

Mr LAURANCE: The member should wait until he has heard the facts, before making such a comment.

I have set out the ways in which the State Government has utilised its resources to plug the repayment gap, bearing in mind the prevailing national policy of high interest rates. There are encouraging signs that the policies adopted by the State Government are working and they are plugging up this repayment gap. Whilst approvals for dwellings have been down over the last 12 months, they started to increase in the June quarter.

If members look at the Budget papers presented yesterday, they will see the situation in relation to housing finance and approvals for dwellings, although not as good as we would like, is satisfactory having regard to the present climate. It indicates the Government's policies in this area are working.

The motion refers to this Government's "lacklustre approach to the Canberra Government to have home loan interest repayments made tax deductible". Of course, I refute that statement completely, as I refute also the claim made by the Leader of the Opposition for the time being that I have done an "about face" on this question. It is true that a form of interest rate tax deductibility was introduced in Australia by the Whitlam Government. It was an extremely ineffective scheme which was narrow and constrained. In fact, virtually nobody in Australia knew about its existence.

Mr Pearce: That is rubbish! Thousands more people benefited from that scheme than have benefited from your tin pot system.

Mr LAURANCE: The funds allocated to that area of Government assistance were transferred to a new, enlarged home savings grant and, as a Government, we supported that move.

Admittedly some problems have developed in relation to the home savings grant scheme and we have been very vociferous in making known to the Federal Government that the scheme needs to be improved. The constrained and ineffective scheme introduced by the Whitlam Government should have died with that Government, but it struggled on for a year or two and was replaced with a much better scheme.

However, it should be pointed out that we are dealing with a different situation today bearing in mind interest rates are at an unprecedented level. For that reason this Government supports some form of interest rate tax deductibility on home loan repayments. I should like to spell out what

the Government has done in this area and it is far from a lacklustre approach.

The member for Dianella referred to a comment made in February. At that time, the member probably was not thinking to any great extent about housing, but I should like to point out action was being taken on that front as early as February and, in fact, before then.

I should like to mention the month of February also, because at that time I listed the item of tax deductibility for home loan repayments on the agenda of the Housing Ministers' Conference. The objective was, firstly, to obtain improvements in the home savings grant and, secondly, to obtain some form of interest rate tax deductibility.

Mr Barnett: Have you just been given an indication of the number of people that you helped?

Mr LAURANCE: No. I have just been handed the figures given by the Leader of the Opposition in relation to family allowances and they are quite wrong.

Following that Housing Ministers' Conference in February, the Premier, on behalf of the State Government, approached the Prime Minister in an endeavour to obtain some form of income tax deductibility. The Government of this State then provided to the other States and the Commonwealth a study of systems of tax deductibility operating in other western countries around the world.

The details of those systems have been made public and, following the provision of this material by the State Government, the Commonwealth has been carrying out its own study. As a result of that initiative on the part of the Government of Western Australia, other States have been seeking the introduction of some form of tax deductibility in Australia.

The Housing Industry Association at the national level changed its priority in this regard and indicated it would not push for income tax deductibility. That association decided to give that matter a lower priority, as a result of the intransigence of the Federal Government on this question. However, since that time the Housing Industry Association has once again changed its priorities and, bearing in mind the renewed interest in tax deductibility for home loan repayments, it has placed that matter on the top of its list.

At the latest Housing Ministers' Conference in September a recommendation by the Government of this State that some form of tax deductibility be introduced in Australia was accepted by all

States. I am waiting now for the Commonwealth to respond to that resolution.

The latest Housing Ministers' Conference was extremely acrimonious and ended in a shambles as a result of an argument which developed between the Federal Minister and his State counterparts. I called on the Federal Minister to be more co-operative with his State colleagues and to acknowledge the difficult situation caused by a diminution of funds allocated by the Federal Government to the States. I asked the Federal Minister to adopt a more realistic policy in regard to the funds required for housing by the States.

I have also supported moves by Federal Government back-benchers to remove the 2.5 per cent sales tax on building materials and we have seen a great deal of activity in that area. You, Sir, would have noticed in recent days the negotiations between the Prime Minister and the Federal Treasurer and the back-bench members in relation to the question of sales tax not only as it affects building materials, but also as it affects other commodities. However, I am particularly interested in the issue of sales tax on building materials.

The Minister for Housing in Victoria and I have been seeking support at the Federal level for further action to be taken so that the Federal Government is not given an easy road in its allocation of housing funds to the States. We believe the reduction in housing funds allocated by the Federal Government to the States is totally unacceptable and the Commonwealth should look again at this particular aspect of its Budget.

It was a strong move to get people either in the Senate or the party room to oppose that particular provision of the Federal Budget, but we have taken the matter that far. Because the Federal Minister will not listen, we have approached the Commonwealth Government and have informed it that we are not happy with the allocation for housing made by it to the States.

Mr Wilson: I have not heard your name mentioned in association with that approach.

Mr LAURANCE: The day the member for Dianella raised that issue in the House, it was reported in *The West Australian*. However, he had only just taken over the responsibility for housing and it is clear he missed that particular article. No doubt when the member is more experienced in this matter he will pick up these sorts of comments.

Mr Wilson: I wondered why you were not mentioned in the first one.

Mr Watt: It is not that the Minister was not mentioned — you did not read it.

Mr LAURANCE: If the member goes back and checks the situation carefully he will find that is the case. To this day we have not accepted the attitude of the Federal Minister for Housing on this question. I have written to him and have indicated I want an apology for the attitude—

Mr Brian Burke: Has he given you one?

Mr LAURANCE: —he adopted at the Housing Ministers' Conference.

Mr Brian Burke: We are not interested in an apology. We want some action on interest rates.

Mr LAURANCE: This matter is still continuing. It has not been finalised yet by any means. As a result of that acrimonious meeting, the Premier asked the Prime Minister for an explanation of the actions of the Federal Minister for Housing, because they were totally unacceptable to this State. Until that Minister adopts a more co-operative attitude, we will not deal with him and we shall endeavour to have him removed and a more co-operative Minister appointed.

Mr Carr: You could have the whole Government removed were there a Federal election.

Mr Brian Burke: They are quaking in their boots! Peacock is after Fraser and you are after the Federal Minister for Housing!

Mr LAURANCE: I agree with the last part of that interjection.

Mr Brian Burke: Now you can see why we want a senior Minister and not a junior one.

Mr LAURANCE: That is a very interesting statement indeed, when one bears in mind that it came from a very junior Leader of the Opposition.

Mr Brian Burke: Let us hear about the family allowance conversion scheme.

Leave to Continue Speech

Mr LAURANCE: I seek leave of the House to continue my speech at a later stage of the sitting.

Leave granted.

Debate thus adjourned.

QUESTIONS

Questions were taken at this stage.

Sitting suspended from 6.15 to 7.30 p.m.

HOUSING: INTEREST RATES

Mortgage Relief: Motion

Debate resumed from an earlier stage of the sitting.

MR LAURANCE (Gascoyne—Honorary Minister Assisting the Minister for Housing) [7.30 p.m.]: I refer now to the second issue raised in the motion moved by the Opposition. It is as follows—

a lack of will and ingenuity on the part of the Government in committing itself to new positive initiatives to ensure that home ownership is within reach of low and middle income earners;

That brings me to my next point. On 1 September this year, the State Government announced a nine-point plan which covered a range of initiatives designed to assist people in this area. So, whilst it is nice to have the Opposition yapping at our heels by moving this motion, I wish to refute some of the claims made by members opposite that they have brought forward a number of plans. In fact, one of the schemes members opposite claim to have initiated is not theirs at all.

In replying to the member for Dianella about the timing of these initiatives, I point out that it was not until the Federal Budget was brought down on 16 August that the State had any idea as to the final figure of Federal funding it could expect. I make the point that is the first time the States have been put in that position. In the past, even ahead of the Federal Budget, there has been an arrangement whereby the States knew what their housing allocation would be as from 1 July so that from the beginning of the financial year the States knew what the Federal Government funding would be, and could plan accordingly.

However, this year, under the new arrangements with the Commonwealth, there is a guaranteed base level of funding which is set at \$200 million, in addition to which top-up funding may be made available each year. It was not until 16 August that it was known whether there would be any top-up funding at all and if there were such funding, what that level would be. In fact, some top-up funding was made available in the Federal Budget. I repeat that it was not until 16 August that this State knew what sort of funding it would receive from the Commonwealth, on which it could base its strategies for the forthcoming financial year.

Once that figure became known, the Government moved quickly to provide relief to home buyers in that low to middle income group. We established a range of avenues of assistance. Firstly, we initiated an interest rate subsidy through the permanent building societies. This scheme was designed to unlock some \$20 million of building society finance at an interest rate

subsidised down from the prevailing rate of 13.5 per cent to about 11.5 per cent. That amount of \$20 million would assist some 650 first time home buyers during this financial year. It is estimated that to provide an interest rate subsidy of 2 per cent would involve the State Government in a contribution of some \$1 million. That represented a positive attempt to assist eligible people obtain homes. I have been informed by the President of the Permanent Building Societies Association that all nine permanent building societies in this State agreed to enter this scheme and, in fact, between themselves have worked out an allocation of the \$20 million.

Secondly, the State Government initiated an interest rate subsidy on new homes, available to applicants to terminating building societies. Once again, the applicants would need to be eligible to receive such assistance, and would be assisted through the conditions of the Housing Loan Guarantee Act. Approximately \$4 million was made available through the terminating building societies, and a subsidisation figure was provided by the State Government in order to reduce the cost of those funds to a more acceptable level. Some 120 new home buyers should be assisted in this way this year.

In addition, the normal funding made available to terminating building societies by allocation from the State and Federal Governments this year provided for a further \$8 million to assist people on the terminating building societies' housing priority list. This represented an increase of 13 per cent in the allocation to this area last year, and it is estimated some 260 families will be assisted in this way.

Another avenue of assistance was to sell State Housing Commission rental homes to tenants; some \$1.6 million has been provided by the State Housing Commission to enable tenants to buy the rental homes they are now occupying. This continues the policy first introduced in 1980, and will help some 70 home buyers.

We are also looking to assist State Housing Commission tenants move from their existing rental properties into new homes. The State Housing Commission will provide \$4 million to help tenants in occupation to buy new homes. These homes will be built by private builders on State Housing Commission land. The scheme is estimated to assist as many as 200 tenants to buy new homes this financial year. In addition, it will free a further 200 State Housing Commission houses vacated by tenants; so a double benefit will result from that initiative.

Then the Government established the mortgage assessment and relief committee to provide relief for people experiencing difficulties as a result of increased mortgage repayments.

We also instituted the slow-start mortgage scheme. We approached the permanent building societies in this State and asked them to provide flexible mortgages for people who could be helped by commencing their repayments at a lower level. In fact, some couples, both of whom are working and are on good incomes, may prefer to have a higher level of repayment in the earlier years. This was the sort of flexibility we requested the building societies to make available to interested applicants.

We are looking at land partnerships in which the private sector can join with the State Housing Commission in utilising some of the land resources of the commission on which to build houses suitable for low and middle income earners.

A number of other options have been examined by the building societies advisory committee, and I will refer to some of those in a moment. I am sure further initiatives will arise as a result of the examination that committee is making at my request.

So, there has certainly been no lack of will or ingenuity on the part of the State Government. We have provided a range of measures designed to relieve difficulties being experienced by first home buyers and people who already own their own homes. The Government has had its thinking cap on in an endeavour to assist as many people as possible. The total initiatives will involve some \$40 million and assist about 1 500 home buyers. I accept that is not the total of the people who want to be helped; however, it is substantially assisting those people who are in this repayment gap which has opened up in recent months.

The third point of the Opposition's motion states—

over restrictive guidelines governing operations of the mortgage assessment relief committee.

Nothing could be further from the truth; it is absolute rubbish to try to make a case that the guidelines are not flexible and do not cater for individual needs, because they do. The guidelines were purposely made very flexible.

Initially, we asked the building societies to be sympathetic with people who approached them with repayment problems. If the building society or other lending institution could not provide some relief for those people whose needs were genuine, their cases could be referred to the

mortgage assessment and relief committee. The guidelines for that committee have been tabled in this House previously. In fact, the eligibility guidelines are very wide indeed, and include many people. The guidelines themselves state it is not intended to be over-restrictive in setting the eligibility criteria for relief. The committee's guidelines are flexible, and the committee has been instructed to treat every case on an individual basis.

I am talking now about providing relief from mortgage repayments. The State Government has set aside \$2 million to assist people by restructuring their loans to bring their loans back to the same proportion of their incomes as when the people first took out their loans. Obviously, the lending institutions would have assessed whether the borrowers could afford a certain proportion of their income as mortgage repayments. If that proportion has been increased by rising interest rates in the period since the loans were first taken out, people will have the opportunity to have their loans restructured so that the relativity of repayments to income will return to the original level.

Mr Barnett: Have you made the eligibility guidelines public?

Mr LAURANCE: Yes, they have been tabled in this House and have been made available to members of the Opposition, to people who have written to me, to the Registrar of Building Societies, and to many other people.

When this committee was established, it received a great deal of publicity, and the guidelines were sent immediately to the building societies. In fact, building society representatives assisted in drafting the guidelines; I met with them for that purpose. The building societies are large institutions, and there are many thousands of home purchasers in this State. It took some time before people realised they could make an application for relief.

It had to be considered and it took a few days. But action was instituted immediately upon the announcement of the formation of this mortgage assessment and relief committee. All building societies are now appreciating the value of this committee; all are forwarding applications to it.

It has received 119 applications. I make the point very strongly that these are only cases that could not be helped by the building societies. Many more people have been assisted by their building societies before they ever get to the mortgage assessment and relief committee.

Mr Barnett: In what way?

Mr LAURANCE: By the extension of their term of repayment, by debt consolidation, or interest only payments. It is the responsibility of the lending institution to see whether there is some way it can provide assistance to the applicant first if it believes there to be a genuine case of hardship. If it cannot do this, if there is not enough equity in the loan or the term is at its maximum, the lending institution will forward the application to the committee.

Of the 119 applications, 99 have been dealt with. I have asked the committee to meet regularly every few days so that there is no holdup. Of the 99 applications dealt with, 16 have been approved and 18 have been deferred for further information. I reiterate that these people will be helped if they have a genuine case of hardship caused by increased repayments.

In a number of cases further information is required, so we could say that of the 99 applications, 78 have been either given help or have been asked to provide further information. It is quite likely that when the further information is received, should it demonstrate a genuine need, they will be assisted also. It is a very high level of acceptance.

The people being assisted cover a substantially wide range of repayment figures. We are not restricting assistance to people paying only a certain amount a month. I reject any suggestion that the guidelines of this committee are not wide enough or flexible enough or that the building societies are not showing sympathy. They are showing sympathy to people with genuine hardship. Each case referred to the mortgage assessment and relief committee is being dealt with in great detail on an individual basis.

Mr Wilson: You have failed to mention that 21 applicants have been rejected.

Mr LAURANCE: We have very senior and experienced people on this committee, and in their judgment the cases of hardship in those instances have not been substantiated as being genuine. If the member for Dianella wants to say he will help everyone in the community, both genuine applicants and others, he should say so.

Mr Wilson: I do not like your estimate of what is genuine.

Mr LAURANCE: That statement is a slur on the people who have given their lives to the provision of home finance to people in our State. They should know more about the situation than a fellow who just a few days ago became the Opposition spokesman on housing.

Mr Wilson: I doubt whether you have spoken to any of these people.

Mr LAURANCE: The Opposition asked us to give serious consideration to its proposed family allowance conversion scheme for home buyers. Such a scheme has received considerable study by this Government at the request of the member for Murray. It is some years since he first raised the idea of a family allowance conversion scheme. He raised the idea in good faith as a genuine way to assist people, and I have taken the idea on board in exactly that way. Although I have given such a scheme consideration, I cannot agree to it. The member for Murray first raised the matter in 1977 and he gave very detailed information about how the system worked in New Zealand. However, he went further than that.

Mr Pearce: Get to your punch line: The scheme is not good enough.

Mr LAURANCE: In 1977, on page 1062 of *Hansard*, the member was able to show the net benefit of such a scheme. Earlier we heard the Leader of the Opposition going on about a family with five children and how it could save \$162 a month off its mortgage payments. However, the Leader of the Opposition forgot to say how much the family was going to forego in family allowance payments; he could not tell us, when challenged, what the net benefit would be for that family.

Mr Shalders: He hadn't done his homework.

Mr LAURANCE: When the member for Murray raised this matter he was interjected upon by the present Leader of the Opposition who said, "There is just one thing: How do you take into account increases in the future? Do these people forego any increased family allowance payments which may be made five or six years in the future?"

Mr Wilson: He did not deny that tonight, either.

Mr LAURANCE: In effect, the Leader of the Opposition was questioning the validity of the points he raised tonight.

Mr Pearce: It is our policy now and you are opposed to it.

Mr LAURANCE: In not being able to tell the House of the net benefit of such a scheme, the Leader of the Opposition left himself in a very weak position.

Mr Tonkin: I have the figures here.

Mr LAURANCE: *Hansard* will show that the Leader of the Opposition indicated that if a family with five children were able to capitalise its family allowance in the way he mentioned it would be able to save \$162 a month on its mortgage repayments. I point out to members

that that family—and the Leader of the Opposition used figures as at 1 January 1982—will earn \$160.45 in family allowances. This would mean it would save the wonderful figure of \$1.55 by foregoing for many years the family allowance benefits. So any argument the Opposition had has been shot down in flames because it did not work out the net benefit—and there is absolutely none.

Mr I. F. Taylor: At least they would be living in a house rather than in a tent.

Mr LAURANCE: We have looked at this matter very seriously as can be seen by the number of initiatives we have already implemented. We have looked at every possible step that could be taken, including many of which the Opposition has not even thought. After careful consideration the State Government has rejected the idea of trying to provide a family allowance conversion scheme for the following reasons.

Mr I. F. Taylor: Why not try to find reasons to implement it rather than reasons not to implement it?

Mr LAURANCE: Firstly, a Commonwealth initiative is required. It is a Commonwealth Government benefit that is paid and it is up to the Commonwealth to make any changes in the future. It is all very well for the Opposition to say that a Government must have a death wish if it decided to do away with family allowances, but members opposite should remember it was the Fraser Government which substantially increased family allowances for the first time in many years; in fact, it introduced family allowances rather than retain a restricted and low level of child endowment. It is up to the Federal Government of the day to decide whether family allowances will be continued and at what level.

This was considered by the Housing Ministers from all States at a Housing Ministers' Conference. All States decided that if there were to be any action it should be an initiative of the Commonwealth Government. We put it to the Commonwealth that it should study the scheme. It is all very well to say it works in New Zealand; but if it is going to be introduced in Australia our national Government must decide whether to allow people to capitalise the benefits which it pays.

There is no constitutional right for this State to capitalise a benefit being paid by another Government. That is the most compelling reason that the State is not in a position to introduce such a scheme. However, there are many other difficulties involved. Firstly, the scheme was

intended for the ongoing upkeep of children. It is paid to the mother for the day-to-day provisions of caring for a child rather than for the provision of a house. Members opposite do not have to convince me that a house is a very basic need, but it was for the ongoing basic needs of children that the family allowance was upgraded substantially by the Fraser Government.

Mr I. F. Taylor: It is not a child allowance, but a family allowance.

Mr LAURANCE: It is paid to the mother for the benefit of her children. The allowance may vary either up or down, and either way it could cause problems for the scheme in the future. That is the very point the Leader of the Opposition made when interjecting on the member for Murray four or five years ago when he asked, "How do you take into account increases in the future?" Increases possibly could be insured against. This could be so for things such as marriage breakups, the death of a child, and so on.

Such a scheme was given deep consideration to see whether it was suitable to provide assistance to families. Because of the difficulty of the scheme and because it would have to be introduced at a Federal level, we have rejected it at this time.

In conclusion, I would like to mention a number of points in rejecting this motion and to indicate what the Government is doing. We will continue to fight for a fair deal for Western Australian home owners. We will continue to seek money for State Housing Commission programmes. We believe the cutbacks that have been incurred by the Commonwealth are completely unacceptable and unsatisfactory. We will make sure we continue to fight for additional funds for SHC programmes.

We have not given up on the matter of tax deductibility. Even six months ago many people said the Federal Government would never give in on this issue, but a number of people have now changed their stance. The Housing Industry Association has changed its view and put tax deductibility at the top of its priority list. The Federal Government will have to take this into account and it will have to look at systems in other western countries.

I have outlined various schemes of tax deductibility that would cost the Federal Government various amounts. One would cost as little as \$83 million and another would cost \$140 million. Obviously the wider we make it the more it would cost, but it could be limited, both in terms of time and in terms of the applicants who

would be able to avail themselves of this scheme. It could be made to apply for a limited period of three or five years. It could be limited to those people who have purchased their home in the last one or two years. It could apply when interest rates go over a certain level, perhaps 12 per cent in a particular year, at which time the tax deductibility could come into operation. If the interest rates went below that level the tax deductibility could then cut out. If a scheme were to go on and on it would cost an enormous amount of money.

In the last financial year the United States' scheme has cost it \$3 000 million. It is a very wide-ranging scheme. People can claim tax deductions on mortgage payments whether it is their first or second home, or any other. I am not suggesting we introduce such a scheme here or that we be hooked into a tax subsidy that would go on and on and would cost the country an enormous amount.

There are select ways the tax deductibility could be introduced so as to have a wide-ranging effect on people's contracts and those paying high interest rates. It could apply until such time as the interest rates came back to an acceptable level. We have made representations to the Federal Government in this regard and we will continue to do so. Also we have pressed hard for better home savings grant provisions, and I have not completed those negotiations. I believe it must be paid earlier and take into account differing costs in various areas of Australia.

In the Budget brought down yesterday by the Premier we announced that stamp duty on conveyancing for principal residences up to a value of \$50 000 will be reduced, and that will make the cost of conveyancing for average-sized homes in Western Australia the lowest in Australia. Relief measures are available in other States, but those measures do not apply in the general way as do provisions in Western Australia.

Queensland has a system which for some people is better than the system in Western Australia. Victoria has a scheme for people who qualify for the home savings grant, but not for others. Western Australia will have a scheme which will be applicable to principal residences, not just to first home buyers. One or two of the States have schemes which apply only to first home buyers.

Mr Wilson: What is the case in South Australia?

Mr LAURANCE: South Australia and Tasmania have restricted schemes: they apply only to first home buyers. We closely considered

such schemes. The people operating them agree that these days it is difficult to define a first home buyer, and such a scheme's application is not as widespread as even other States would like it to be.

Currently this State Government is considering a further scheme to relieve the high establishment costs involved in setting up a housing loan, and such a scheme would apply to people on low or moderate incomes. Shortly we hope to announce details of that scheme. We will continue to consider ways to bring down the initial cost of getting into a home, and one of those ways was announced in the Budget brought down yesterday whereby we will reduce stamp duty on principal residences up to the value of \$50 000.

Mr Barnett: What is the maximum amount by which the stamp duty will be reduced?

Mr LAURANCE: For a house of \$50 000 the amount will be \$100. The limit of \$50 000 is considerably more than that which applies in other States.

Mr Barnett: An amount of \$100 is big-hearted!

Mr LAURANCE: I have had discussions with lending institutions with a view to establishing a secondary mortgage market for Western Australia. I expect a detailed submission to be placed before the Government in the near future. I have building societies, merchant banks, and trustee companies considering the possibility of setting up a secondary mortgage market. This initiative previously was considered and I have indicated that the Government is prepared to make certain changes to a number of taxing measures. Certainly one taxing measure which has been altered is stamp duty. If the detailed submission from the finance industry of this State that a secondary mortgage market is a viable way of providing more housing funds for this State we will follow that course. We are currently negotiating with the financial institutions.

Building societies have been requested to offer flexible mortgage arrangements to their customers, and the State Government will continue to keep pressure on the money market to get interest rates down. In the final analysis that really is the only answer.

The Federal Government's monetary policies need to change if interest rates for housing loans in this country are to return to more acceptable levels. It may well be that they will come down. Certainly during the last few months they have been stable, and we hope that with the present pressure being applied interest rates will come down. However, no-one can tell for sure.

Certainly interest rates in the United States have started to decline during the last few weeks. That may be the pointer for interest rates in this country; however, no-one can predict at this time what will occur.

Certainly interest rates are at a high level now, and the State Government believes that to be unacceptable. We will press for them to be lowered. In the meantime there should be an offsetting factor, and we believe that should be the introduction of income tax deductibility for housing loan interest payments. A tremendous amount of work is occurring in this area, and much has happened, which is far from the Opposition's claim that the Government's efforts are lacklustre, and that we should apply more pressure and take more initiatives. The range of the initiatives we have taken and are considering is very wide. The initiatives we have taken have been shown to be effective, and I think they are helping a substantial number of home buyers in this State.

Overall relief, across-the-board relief, is what we are hoping for, but that is under the Federal Government's control.

For the many and very good reasons I have given, the Government will oppose the motion.

MR PEARCE (Gosnells) [8.06 p.m.]: The Honorary Minister hung his argument on two points. The first was that everything is perfectly all right, perfectly okay; the second was that everything is the Federal Government's fault.

Mr Laurance: You mustn't have been in the Chamber.

Mr PEARCE: I sat through the whole of the Honorary Minister's speech. I listened from the start to the end of it. For that probably some people would mark me down as a masochist.

The point I make is that there was a fair bit of contradiction in the two arguments put forward by the Honorary Minister. It was a bit rough for him to say to the House on the one hand that everything is all right, and then on the other to point the bone at the Federal Government by saying that everything is the Federal Government's fault. I do not think anyone could blame the Federal Government if it were accepted that the Federal Government is merely supervising an economy in which everything is all right. The Federal Government's own back-benchers have not taken that attitude, and the State Government appears not to have taken that attitude because it has criticised the Federal Government's performance.

Mr Shalders: I would be surprised to read in *Hansard* where the Minister said everything is

perfectly all right. I would be perfectly happy for you to ask the Speaker to leave the Chair until the ringing of the bells so that you can ask *Hansard* to show where the Honorary Minister said everything is all right.

Mr PEARCE: It is a fact that I sat through the whole of the Honorary Minister's speech, and it is a fact that the member for Murray did not. If he wants to consult *Hansard*, he can do so at his leisure.

Mr Shalders: You said the Minister said that everything is all right, but he did not.

Mr PEARCE: The Minister may not have said so in exactly the same words, and he did not say in exactly the words I used that everything was the fault of the Federal Government.

Mr MacKinnon: We should call in Grace Bros. What a shift.

Mr PEARCE: The Honorary Minister hung his argument around two points. I merely summarised his remarks. Members in the House while the Honorary Minister made his speech, unlike the member for Murray, know that in the first part, which was before the dinner suspension, he put forward the contention that everything is all right. He said that the Government was taking steps to ensure that people in cases of genuine hardship would be assisted, and that the only people who would not be assisted were the people falsifying their documents in order to gain assistance. He said such people will be the only ones to miss out on assistance. If what I have said does not fairly summarise the Honorary Minister's remarks, I do not know what does. They can be easily summarised by saying that the Honorary Minister said everything is all right and that the Government is doing everything to make the situation fine for everybody. If that is not a summary of the Honorary Minister's remarks then I have a different understanding of the meaning of the English language from that of the member for Murray.

Mr Shalders: I was in the House before the dinner suspension. It is an absolute disgrace that the member who moved the motion is not here.

Mr PEARCE: Who is shifting ground now?

Mr Shalders: The member who moved it is not in the Chamber.

Mr PEARCE: It was moved by the member for Dianella.

Mr Shalders: In whose name is it on the notice paper? You read the notice paper.

Mr PEARCE: The motion was moved by the member for Dianella. Everybody who was in the

House when the motion was moved knows that the member for Dianella moved it.

Mr Laurance: He said on behalf of the person named on the notice paper.

Several members interjected.

The SPEAKER: Order! The House will come to order!

Mr Tonkin: The member for Dianella moved it.

Mr PEARCE: A real danger exists in people not listening to a debate and then entering the House to interject.

Mr Shalders: Bring in your leader.

Mr Tonkin: Where is your leader?

Mr PEARCE: Where is most of the Government's front bench?

During the five minutes that the member for Murray was in the Chamber to listen to the Honorary Minister's speech I was fascinated that he did not say anything when he heard the Honorary Minister denounce a policy previously advocated by the member. I expected him to jump from his place, and beat his breast over the Honorary Minister's remarks. I expected him to say, "I was wrong. I was wrong back then in 1977. I misled the Parliament and, by implication, the people of this State when I advocated the family allowance conversion scheme which is now the policy of the Opposition". The Opposition presented that scheme before the last State election and will present it again before the next State election.

The Minister has pointed to technical flaws which he sees in the scheme, which was really his way of saying that for him to bother with it is too hard. It was his way of saying, "Put it into the too-hard basket. It's not for us to say how the scheme should be implemented; and it would be of benefit in any case to only a few people".

I will produce a few figures which the Minister said we do not have with regard to the net benefit to families who receive family allowances. For a family with three children the current family allowance benefit is \$75.90 a month. If the family allowance were to be capitalised in the way the Opposition's scheme suggests, the family would save \$102 a month on its home mortgage, and that is a net benefit of some \$26 a month. A family of four children receives a family allowance benefit of \$114.90 a month, and the mortgage saving on an average mortgage would be \$142 a month. That would be a net saving of some \$27 a month, a saving which would totally in effect wipe out the interest rate increases that have applied to such families.

In the part of the Honorary Minister's approach of saying that everything is all right, and that the mortgage assessment and relief committee is helping people in positions of hardship, the Honorary Minister had the audacity to produce figures and say that 99 people have been assisted by the committee. I wonder what percentage that number represents of people paying home mortgages. I would have referred half that number to the committee, and I know of not one person I referred who was assisted.

In the majority of cases when people in difficult circumstances in relation to mortgage payments come to me, the member for Dianella, or some other member to be referred to the committee, those people can show examples of exceptional hardship. Their mortgage payments usually have increased in the order of \$50 or \$60 a month since June of this year. The level of their other commitments and expenses means that an additional \$50 or \$60 a month is a tremendous burden on and increase in their normal expenses.

In almost all cases these people cannot even get their applications before the committee. They approach the building society and it says to them, "You don't fall within the guidelines, and furthermore your problems are not caused by increasing interest rates; they are really caused by your other commitments". That statement was made to one of my constituents. He had to go onto the unemployed list because of brain surgery he needed. He had to live totally on his wife's income from her job as a dental nurse. He had one other commitment; he was purchasing a car. The building society had the effrontery to say to him, "Your problems are not caused by increasing interest rates; they are caused by other commitments".

Mr Wilson: The societies are doing that all the time.

Mr PEARCE: That is correct. People in difficulties are being told that their other commitments are the cause of their difficulties. The reason does not relate to other commitments. These people would be perfectly all right if interest rates were not increasing. The increasing interest rates are causing the problems being felt by many thousands of ordinary Western Australians, not just the 99 who have been assisted so far. Thousands of Western Australians have had their applications for assistance knocked back; and thousands have not even had their applications sent to the committee because it was decided that their circumstances did not fall within the guidelines.

How can the Honorary Minister say the guidelines are very wide when fewer than 100 people have had their applications considered by the committee? Tens of thousands of people are buying their homes and thousands of people have expressed interest in the committee. If the State Housing Commission worked on the basis of assisting only 99 people out of the tens of thousands of people requiring assistance I am sure the Honorary Minister would be laughed out of the Chamber if he said that the guidelines of the SHC were very wide. However, that situation applies in regard to assistance for people suffering hardships because of increased interest rates. These people are in what is described as the mortgage belt, and that covers a tremendously wide section of our society.

There would be some 14 000 houses in my electorate, and I would say some 8 000 or 9 000 of those are being purchased by way of mortgages at the full interest rate. Every one of those 8 000 or 9 000 purchasers has been affected by the additional cost each month. The increases have varied from \$30 a month to a maximum of over \$100 a month. All those people have been affected, but the Minister says everything is all right because 99 people have been assisted so far.

That fact illustrates the point of the motion moved by the member for Dianella: This Government purely and simply fails to recognise the extent of the problem. To the extent that the Government has recognised that there is a problem, it has come up with a glib young Honorary Minister doing a PR exercise of helping 99 people out of the whole of this State and saying everything is okay. We have heard the Minister say on television that everything will be all right, but through the mail people have received information from building societies stating that interest rates will rise and those rises are crippling everyone in this State.

The Honorary Minister's favourite expression "if we take on board" is a nautical term which actually means "shipping water". It is probably a fairly appropriate use of the term by this Minister when we consider the extent to which people are crippled by increased housing interest rates.

If people were lucky like I was and took out a housing loan in 1972, they would have had to borrow less than \$20 000 for a modest home. The interest rate at that stage was $7\frac{1}{2}$ to $7\frac{3}{4}$ per cent, but now the interest rate is $13\frac{1}{2}$ to 14 per cent. The minimum loan required for a modest home now is approximately \$30 000 to \$40 000, so not only are people coping high interest rates, but also they must borrow a larger amount.

This rise is creating tremendous inequities, because of the initial cost level and the massive increase in interest rates. The people who are affected by this are young people who have recently bought their homes and perhaps have had to save carefully to reach that stage. They are the people who have probably been in a two-income situation and now they will not qualify under the guidelines set down by the lending authority.

People who find themselves in an unemployed situation will not be helped through these guidelines either, because the building societies indicate that a person must have a job for a while so that they can assess his income. The people who are in the greatest need of assistance are not being helped; they are being hurt.

The second part of the Minister's statement referred to the fact that the situation is the fault of the Federal Government. We are prepared to concede that the Federal Government has a lot to answer for in this economic area. One must point to the Prime Minister of Australia, the President of the United States, and the Prime Minister of the United Kingdom and say they are at fault because they follow a monetarist policy which restricts the money supply which is a key item for economic management as a whole. It has been clearly demonstrated in this country that this form of monetarist theory invariably pushes interest rates up because of the restriction of the money supply. I do not think we have to look very far to place the blame. It is the fault of the Prime Minister and the Treasurer. However, the Honorary Minister for Housing says that his Government is opposed to the Federal Government in this regard.

When presenting the Budget yesterday the Premier gave a lengthy homily on how he is prepared to dissociate himself from the policies of the Federal Government.

I read the opening speech of the Governor when the New South Wales Parliament resumed after the last election. He was critical of Federal Government policies, but he was less vehement in his criticism than was this Liberal Government. However, when the crunch comes, what happens? There is no real opposition to the Federal Government by this State Government. Instead of trying to get a fair deal, when the Fraser Government is criticised, the Premier says that Fraser is the best man in the country for the job and no-one else in the Federal Parliament is as good.

The high taxes and high interest rates reflect poor financial dealings with the State and the

Premier complains about them quite bitterly all the time.

Mr Davies: It covers up the inadequacies of his own Government.

Mr PEARCE: That is correct. In trying to push off the inadequacies of his own Government in his criticism of the Federal Government he is not sincere. He is not interested in producing a better system for Western Australia and relief from crippling housing rates. All his criticism has done is help to keep him Premier of Western Australia and that is all he is interested in. It is not a satisfactory situation for us. The scheme put forward by the Honorary Minister for Housing has helped no-one.

The motion put forward by the member for Dianella lists the action which needs to be taken. The base rate on which people have to take out their loans must be reduced and it is beyond the competence of this Government to get housing costs down. This must be done. This system has worked well in New Zealand and it would work well in Western Australia. We have people on this side who could form a Government which would implement that scheme and it would work well. However, the Minister is not prepared to look at that very necessary scheme. I cannot believe that a serious attempt has been made by this Government to persuade the Federal Government to abandon its monetarist policies in order to keep interest rates down.

Members of the Government say that they are always making representations to the Federal Government. The only representations that are made by the Premier are those which are made when he goes across to the Premiers' Conferences. That fact has been revealed in answers to questions raised by the Leader of the Opposition. The Honorary Minister for Housing most certainly does not make serious representations. He may say a word or two at the Housing Ministers' Conference, but this Minister is too concerned about not rocking the Fraser boat. The proof of the pudding is in the eating because interest rates are not going down. If the Honorary Minister is saying that he is constantly making representations to the Federal Government in order to reduce interest rates, he is simply not an effective Minister because no-one takes any notice. There is a job which must be done here because the standard of living of Western Australians is being irreparably damaged by the high and rising level of home interest mortgage rates.

Every family in Western Australia is \$30 to \$40 worse off per month than they were last June.

Every family in Western Australia is being squeezed and tremendous economic damage is being done across Western Australia. The Honorary Minister says that his Government has helped 99 people out of the whole State. What sort of defence is that?

Mr Wilson: They have not helped 99 people.

Mr Barnett: They have helped less than 99.

Mr Wilson: They have helped 60 people.

Mr PEARCE: Four weeks ago when we asked the Honorary Minister how many people have been helped, he did not know. The Minister's response when we told him how many had been helped—none—was, "It shows how stunningly successful it is". In fact, the building societies have helped no-one in that regard.

When people come to me for assistance I tell them of the scheme and the fact that no-one has actually been helped, but they are welcome to try. I ask them to come back to me with their response. They always come back with a letter from the building society—I tell them to ask for an answer in writing—which states that they cannot be assisted. Some people do not even get to the interview stage or even to fill in an application form. They are often put off by being told that they do not come within the guidelines. Many people do not wish to go through the embarrassing situation again, so they are easily put off.

The people cannot even fill in the form themselves, they are asked a series of questions so they never see what is on the form. They receive a letter from the building society stating that their application has been rejected because they do not come within the guidelines. They are told that their problem is not the rising interest rate, but the fact that they have other commitments. The building society has made that decision because of other commitments.

Mr Laurance: They are fairly experienced in that sort of thing. So you are saying that a person can keep his luxury yacht, but we will give him relief. Someone has to decide whether they are genuine.

Mr PEARCE: I am quite prepared to meet that argument with a specific case. I will not name the gentleman because I do not wish to embarrass him, but he was out of work because he had to have brain surgery. He and his wife were living on a single income of \$260 which the wife received as a dental nurse. His repayments were \$130 a month and he borrowed money from his parents in order to keep up his repayments because they increased to \$178 per month. He had one hire-purchase payment of \$160 per month for a car

which he and his wife shared. The increase of \$40 per month in interest rates made his financial situation unviable and although there was no other change in his income the building society told him that his problem was not the interest rates, but his other commitments. He and his wife needed the car for her to go to work and for him to keep medical appointments, which were necessary as a result of his condition.

The building society sent him to a hire-purchase company with the suggestion that he renegotiate his contract on the motor vehicle. He already has a four-year contract on his car and if he renegotiated the loan he would save about \$4 a month and find himself paying for an extra two years. What sort of approach is that to the needs of people in difficulty?

Mr Laurance: You think he was unfairly treated by the building society?

Mr PEARCE: Of course.

Mr Laurance: Did you take it to the Registrar of Building Societies?

Mr PEARCE: This matter came to me only last week, and I am in the process of taking it further. The point I make is that this is a specific case to support my argument that the building societies are putting people off on the ground that their problems are not caused by increasing interest rates, but by their other commitments. That simply is not true.

For the Honorary Minister to try his usual trick of saying, "You should take that matter further" or, "If you refer the matter to me I will take up that case" is to overlook the fact that this is happening to thousands of people. These people do not even get to the Honorary Minister's mortgage assessment and relief committee; they are fobbed off by the building societies in the manner I have just mentioned.

That is a bad case, but I am not saying it is the worst case. It can clearly be demonstrated there are many people who are not getting the sort of assistance they require, and it makes the Honorary Minister's figure of 99 people for whom assistance is being considered a totally laughable one and his proposition that some 60 people are being helped absolutely farcical.

Mr MacKinnon: How many people in this sort of situation have been to see you?

Mr PEARCE: I have probably dealt with about 50 people in similar circumstances. To my knowledge, none of those 50 has received any assistance. I will concede that a couple have not been back to see me, so it is conceivable that two people from my electorate have received

assistance. I am not suggesting that, well known, well liked, and popular local member that I am, all such cases are first brought to me. I would expect there have been hundreds of applications from my electorate alone, and I will bet that those hundreds of applicants have received no help at all.

I will go further: I will bet the hundreds of people from the electorate of the member for Murdoch—he represents an area comprising new, and reasonably expensive homes, and his constituents are being really hurt by this squeeze—are not being assisted, either.

Mr Coyne: How are you getting all these applications? Are you advertising for them?

Mr Barnett: No, he is representing his electorate, which is something you know nothing about.

Mr Bryce: With only 2 000 electors—

The DEPUTY SPEAKER: Order! I urge the Deputy Leader of the Opposition to refrain from interjecting out of his seat.

Mr PEARCE: I do not need to advertise to get people to come in to see me and telephone me to complain about interest rates or to discuss personal problems. In an electorate comprising 2 000 people it is conceivable a member would receive only one or two approaches in a week. However, in an electorate of 25 000 people, the telephone rings from dawn until dusk; people with problems approach me as their local member.

Mr MacKinnon: You know that I work hard in my electorate. However, only two or three people have approached me on this matter.

Mr PEARCE: I have never criticised the member for Murdoch for not working his electorate; I appreciate he is hard working, and is respected in his electorate. I am surprised to hear his comment; perhaps I underestimated the people of his electorate. Perhaps the fact that the Willetton-Bull Creek residents vote so heavily for the Liberal Party is that they are remarkably well off, and do not require this sort of assistance. It is the poor people in my electorate who are being squeezed.

Mr Hodge: They would not bother going to a Liberal Minister.

Mr PEARCE: We will see at election time what the electors of Murdoch think about interest rate increases.

Mr Coyne: Your success rate does not seem to be too good.

Mr PEARCE: People will know who to blame if they do not receive assistance, and they will not blame me.

The Honorary Minister has no figures as to how many people are making applications to building societies and who are getting fobbed off at that stage. They are the sorts of figures which are required to demonstrate the nature of this problem. We do not need to know about the lucky few who get filtered through to the mortgage assessment and relief committee.

There is a very real problem in this area which is creating difficulties for many Western Australians. It is a problem with which this Government has not come to grips. In fact, from the Government's approach to the debate this evening, it is a problem about which it is not even concerned.

MR BARNETT (Rockingham) [8.35 p.m.]: I believe the Honorary Minister Assisting the Minister for Housing has failed to grasp the nettle in respect of this motion. I wish to draw to his attention the fact that this motion relates to people, and not just to numbers. Since the member for Gascoyne has become Honorary Minister, it has been evident he regards people only as numbers.

In an endeavour to humanise this debate, I wish to refer to only one section of the motion.

The Opposition has expressed concern at the over-restrictive guidelines governing the operations of the mortgage assessment and relief committee. Members will recall that when the Honorary Minister was speaking, he informed us of the number of people who had filtered through from the building societies to this committee. I think the number was about 120. About 20 of those people were discarded, more than 60 were helped, and a further 19 or 20 were asked to provide further details to ascertain whether they could be helped.

Mr Deputy Speaker, living as you do in an electorate containing many houses, you would know how many people are in dire need of assistance. The figures quoted by the Honorary Minister are absolutely miniscule when compared with the total number in need.

The Honorary Minister said in defence of his argument that the bulk of people who thought they were in need had already been assessed by the building societies and, in many instances, the building societies had helped these people.

I refer the Minister to the case of a family on whose behalf I approached a building society. The man had taken out a loan of \$17 000 over a period of 15 years for the purchase of a very modest home. I received the following letter from his building society

We have already made arrangements for the terms of both loans to be extended to 25 years, advice of which is presently being communicated to . . .

Unfortunately, they do not qualify for Government assistance in that their difficulties are primarily the result of their employment difficulties and not the result of increased interest rates *per se*.

My constituent was 55 years of age when he took out his loan, at which time he was earning \$110 a week. At the moment, he is receiving \$121 a week in unemployment benefits. He is now 60 years of age and has one child, who is 13 years of age; I suppose he is to be congratulated on that. His total monthly income is about \$480 and his mortgage commitment is about \$235, leaving him with a balance of \$245 a month or about \$61.25 a week with which to provide food and clothing for his family, education for his child, and to pay off a small loan on his modest motor vehicle.

His original loan was due to expire when he was 70 years of age. He thought he could handle it; it would mean his first five years in retirement as a pensioner would be difficult, but he was prepared to do it to provide his family with a home. Is it not wonderful that the building society made arrangements to extend the term of his loan to 25 years? The man would be 80 years of age—if he lived that long—before he paid off his house.

Mr Laurance: Are you trying to tell me the building society forced him to extend the term of his loan?

Mr BARNETT: Yes.

Mr Laurance: Perhaps he asked for the extension.

Mr BARNETT: There has been no such request.

Mr Laurance: He must have received advice either to increase his repayment or have the term of his loan extended, and he opted to have it extended. He had two choices.

Mr BARNETT: I can state categorically that my constituent has not requested an extension of his loan. What fool would extend his loan in excess of his natural life expectation?

Mr Laurance: You will have to answer that.

Mr BARNETT: It would be a stupid thing to do. That is the sort of assistance building societies are providing to people who really need to be referred to the mortgage assessment and relief committee. These cases should be referred to the committee in their hundreds or, indeed, in their thousands. Most cases would not involve people of

60 years of age, but, certainly, thousands of people are experiencing financial difficulties.

Mr LAURANCE: The committee was established to help people in difficulties as a result of rising interest rates.

Mr BARNETT: Yes, but a man who, when he originally took out his loan, was earning \$110 a week, and who is now receiving the dole amounting to \$121 a week is considered not to be eligible for assistance.

Mr LAURANCE: This is a problem which occurs when interest rates fluctuate up or down. When people suffer hardship as a result of increasing interest rates and have a problem with unemployment their approaches are considered sympathetically by the building societies.

Mr BARNETT: His problem does not arise because he is unemployed; he is earning more money now than when he first took out his loan.

Mr LAURANCE: What about if he worked—

Mr BARNETT: I have tried to humanise this debate, but all the Honorary Minister wants to do is work with figures.

I have been shocked and horrified at the attitude shown by this Honorary Minister. It is absolutely unreasonable for this man to be in charge—

Mr LAURANCE: Why don't you lend him the money?

Mr BARNETT: Because I do not have it. However, the Honorary Minister has. He told this House that he had \$2 million to help people in need. Is this man in need or not?

Mr LAURANCE: Not with the high interest rates.

Mr BARNETT: This case typifies the sorts of problems being experienced in the community. It is not the only case I have noted in my office. However, it is the most important, not because of the man's financial problems as I have several others in the same category, but because, in addition to the man's financial problems, the building society sees the only way to help him out of his problem as extending the term of his loan so that he will not be able to pay it off until he is 80 years of age, after he has been a pensioner for 15 years. Now, pensioners do not receive a very good deal in this State, as everyone knows well. I venture to suggest it will be absolutely impossible for this man to keep his house.

This problem arises, not because of the man's unemployment, but as a result of the rising interest rates. This person, and many others—hundreds, if not thousands of others—are not being assisted by this scheme. That is why this motion has been moved. That is why thinking

people—people with compassion in this House—will vote for the motion. I support it fully.

The DEPUTY SPEAKER: The member for Dianella.

Point of Order

Mr LAURANCE: On a point of order, as the motion was moved by the Leader of the Opposition—

Mr Barnett: It was not.

Mr LAURANCE: The opening remarks of the member for Dianella were that he was moving this motion on behalf of the Leader of the Opposition.

Mr Tonkin: No he did not.

Mr LAURANCE: I would like that point checked, because, as I understand it, he said, "I am moving this motion on behalf of the Leader of the Opposition." It is on the notice paper under the name of the Leader of the Opposition. I presume that only the Leader of the Opposition has the right to reply.

Mr TONKIN: On the same point of order, it is absolutely absurd to say that the member for Dianella moved the motion on behalf of someone else. Either one moves a motion, or one does not. To quote the exact words used by the member for Dianella, he said, "I move the motion standing in the name of the Leader of the Opposition". Those are the exact words, because I was in the Chamber, and I listened very carefully. One cannot move a motion on behalf of someone else; and the member for Dianella did not try to do that.

The DEPUTY SPEAKER: I was not in the Chair at the time; but I am advised that the motion was moved by the member for Dianella. I give him the right of reply.

Mr Barnett: Very fair and just.

Debate (on motion) Resumed

MR WILSON (Dianella) [8.47 p.m.]: I do not intend to take long in making a reply to the one member of the Government who portrayed himself as having some concern about the drastic impact of rising interest rates on Western Australian families. It was sad that only one member on the Government side, albeit the Honorary Minister, evinced any concern whatsoever about this matter.

It is a sad comment indeed, as I said when I moved the motion, on the smugness and self-satisfaction of the Government on this issue in particular. At least the Honorary Minister came clean right at the beginning of his speech. Earlier

the member for Murray contested the expression used by the Honorary Minister; but in fact the Honorary Minister was at pains at the beginning of the speech to say—and these are his own words—“The Government’s actions and programmes about combatting high interest are a good story”. It is a good story. I agree with him absolutely.

To tell this good story, the Government has put up the Honorary Minister who denies that the Government’s record is a lacklustre one. In fact, the Honorary Minister was able to talk only about the lustre on the outside. He was able to talk only about a superficial programme which lacks substance and which, as several members on this side of the House have indicated, is not reaching the root of the problem.

The Honorary Minister was able to talk about a few schemes that are meant to help first home buyers. He was not able to convince the Opposition that established home loan borrowers are being helped in any significant way. We must realise that it is the established home loan borrowers, especially those who are in the first five years of meeting payments, who have been affected most drastically by the savage increases in interest rates. They are the ones who are suffering the most.

The Honorary Minister queried, as did other members on his side, the number of people who are coming to members of Parliament with these difficulties. When the member for Gosnells mentioned a few people who had seen him, the Honorary Minister tried to make a point of the fact that a few people only were experiencing hardships. He failed to see the falsity of his own argument.

The fact is that for the few people who know to go to a member of Parliament, or who take the trouble to go to a member of Parliament, about these things, there are many more people who do not do that. In this case, there are many more people than the people who are going to members of Parliament—and apparently to members on this side of the House only—because they have suffered these difficulties. Those people will not go to members of Parliament, but they are being fobbed off by the building societies. They are not receiving the help that they deserve, that they need, and that the Honorary Minister led them to believe the Government was intending to provide for them.

Certainly many of the people who have contacted me have not been from my own electorate. They have come from electorates represented by Government members. They have

said to me, “What’s the point of going to a Government member? We’ll only be given some PR spiel about what the Government is doing”. That is what they expect, and probably that is what they receive. I do not know.

The Honorary Minister’s reply was superficial. It did not convince us of any sincerity of compassion on the part of the Government which claims to be at pains to help the people most in need of help.

I have just been reminded by the member for Melville that many of the people who are going to building societies in the first place for help are being told by the building societies to go to the Housing Commission. They are being told to “sell your house and go to the Housing Commission”. What happens when they go to the State Housing Commission? If they are lucky, they might be offered a flat. In fact, the SHC is now running out of flats, and it is putting people on a waiting list for flats.

Probably the last option that people would choose is a flat. Certainly the sorts of flats available at the lower end of the choice in the SHC are not the sorts of places in which conscientious parents would want to bring up a young family. If there is any dispute about that, I challenge members on the Government side to go and live in a Housing Commission flat with a young family and see how they fare.

We have not been convinced by the sole speaker on the Government side about the Government’s genuineness and sincerity. The Honorary Minister tried to make a big deal about the fact that, under the Budget, a concession on conveyancing for homes up to \$50 000 will be introduced. That concession will be something over \$100 for a first home purchase. However, he failed to tell us the full truth about that matter—that, in fact, as a result of the Budget, stamp duty on conveyancing will rise by 41 per cent. He failed to tell us that, in the past year, the stamp duty on home sales, due to rising interest rates in Western Australia, has risen at double the rate of inflation. What a bonanza for the State Government! What a bonanza in extra funds for the State Government!

What will the Government do with this bonanza of extra funds? It is offering a pittance to first home buyers in the form of a handout of \$100 or a little over to offset the great cost involved in purchasing a new home.

Do not blame us if we are not convinced by this good story put up by the good story man on the Government side. Do not blame us if we have been reinforced in our view about the approach of the Honorary Minister, and his insincerity with

regard to the hardships confronting families as a result of the savage increases in interest rates.

The Honorary Minister tends to minimise the fact that of the 119 families referred for assistance after close screening by the building societies, 60 have been approved, 18 have been deferred without any guarantee of help, and 21 have been rejected. When I asked him what would happen to the people who have been rejected, he shook his head. Apparently those people have luxury yachts; apparently they have holiday homes; apparently they have all sorts of luxury items, and therefore they are not entitled to any relief. That is his view of the situation. Obviously he has not spoken to many of these people. Obviously he has not heard their stories. He is so obsessed with his own good story, his own glib comments, and his own smug attitude and that of his Government, that he is not prepared to listen to the real stories of the people being affected.

Do not blame us if we are not convinced by his good story, because from our point of view it is not very good, and it is becoming worse. We can only hope, because we know that the Government will not approve of this motion, as has been indicated by the Honorary Minister. We will take up his challenge. We will continue to lobby about this measure. We will not relax on him.

We will take every opportunity to ensure that the Minister comes good on his good story, to ensure that it is not just a good story, but that it is put into effect. We will not rest until the Honorary Minister makes efforts day after day, week after week, not in a disjointed way, to put pressure on the Federal Government to provide relief for families suffering from these hardships. We will not rest until the glib programmes that the Honorary Minister is trying to put over with such a fanfare are more than good programmes, and that the people he considers worthy of help at the moment will be considered worthy of help in the future.

We do not apologise for moving this motion. We have moved this motion on behalf of all the people—all those hundreds of home buyers in

Western Australia—who are suffering as a result of the neglect by this Government of their real needs.

We trust that, even though the Government will defeat this motion, our efforts on behalf of those people will eventually convince the Government and force it to act like a responsible, sensitive, and compassionate Government—the sort of Government Western Australia wants and deserves in the ultimate. However, members should not blame us if we remain disappointed in that hope.

Opposition members: Hear, hear!

Question put and a division taken with the following result—

Ayes 14

Mr Barnett	Mr Hodge
Mr Bridge	Mr Pearce
Mr Bryce	Mr A. D. Taylor
Mr Carr	Mr I. F. Taylor
Mr Davies	Mr Tonkin
Mr Evans	Mr Wilson
Mr Grill	Mr Bateman

(Teller)

Noes 22

Mr Blaikie	Mr MacKinnon
Mr Clarko	Mr Mensaros
Mr Cowan	Mr O'Connor
Mr Coyne	Mr Old
Mrs Craig	Mr Rushton
Mr Crane	Mr Sibson
Mr Grayden	Mr Sodeman
Mr Grewar	Mr Spriggs
Mr Hassell	Mr Stephens
Mr P. V. Jones	Mr Trethowan
Mr Laurance	Mr Shalders

(Teller)

Pairs

Ayes	Noes
Mr Jamieson	Mr Williams
Mr Bertram	Mr Young
Mr Brian Burke	Mr Tubby
Mr Parker	Mr Herzfeld
Mr T. H. Jones	Dr Dadour
Mr Harman	Mr Watt
Mr Terry Burke	Mr Nanovich
Mr McIver	Sir Charles Court

Question thus negatived.

Motion defeated.

House adjourned at 9.05 p.m.

QUESTIONS ON NOTICE

PUBLIC SERVICE: PUBLIC SERVANTS

Australian Citizenship

2130. Mr TERRY BURKE, to the Premier:

- (1) For which particular categories or positions in the State Public Service, is Australian citizenship a prerequisite?
- (2) Under what circumstances is the prerequisite waived?

Sir CHARLES COURT replied:

- (1) For all categories or positions in the State Public Service, the normal requirement as prescribed by Public Service Board Administrative Instructions is that unless the board determines otherwise, every person appointed as a permanent officer shall provide evidence of being an Australian citizen or a British subject granted permanent residence in Australia.

As indicated in answers to question 1709 and 1855, the board has approved the appointment of a limited number of persons who were not Australian citizens. The basic requirement in making such an appointment is that the person has been granted permanent residence in Australia.

- (2) In exercising this discretion, the board has examined each case on its merits having particular regard to the nature of the position to be filled and the availability of suitable applicants.

MINISTERS OF THE CROWN

Letterheads: Government Printer

2147. Mr BRIAN BURKE, to the Premier:

Has he issued an instruction that printing of ministerial letterheads and cards must be done by the Government Printer?

Sir CHARLES COURT replied:

No, but printing of ministerial letterheads and cards is generally undertaken by the Government Printer.

TRANSPORT: BUSES

MTT: Losses

2148. Mr BRIAN BURKE, to the Minister for Transport:

- (1) Will he table the studies under way to cut the MTT's operating losses when they are received?
- (2) If "No", why not?

Mr RUSHTON replied:

- (1) and (2) The Government gives continuing priority attention to ways and means to reduce operating losses in the MTT.

These ongoing studies are MTT "in house" investigations and in the circumstances I give no undertaking to table them.

TRANSPORT: AIR

Perth Airport: Future Airport

2149. Mr BRIAN BURKE, to the Minister for Transport:

- (1) Will he ascertain from his Federal counterpart when a decision will be made on the site for the Perth Airport international passenger terminal?
- (2) Will he communicate the Federal Minister's response to the House?

Mr RUSHTON replied:

- (1) and (2) The Federal Parliamentary Standing Committee on Public Works is expected to convene early next year to review the situation of the new international passenger terminal at Perth Airport. In the meantime, the Commonwealth Department of Transport is completing the planning procedures associated with airport development. When those two events have taken place, the final location of the new terminal will be made known. When the Federal Minister announces this decision, it will be conveyed to the House.

SHOPPING: CENTRES

Development: Report

2150. Mr BRIAN BURKE, to the Minister for Urban Development and Town Planning:

- (1) In view of concern expressed by the Independent Retailers Association *Weekend News* ... 10

October 1981, p.11, at the Government's refusal to release the Government party report on shopping development, will she now release the report?

(2) If "No", why not?

Mrs CRAIG replied:

(1) and (2) No. Because the Government has already taken action on the report recommendations, there is no substantial reason why public moneys should now be committed to its extensive reproduction.

WITTENOOM

Town: Transfer

2151. Mr BRIAN BURKE, to the Minister for Health:

Will the Government table the tests it undertook prior to making a decision to transfer the town of Wittenoom from its present site?

Mr YOUNG replied:

No decision has been taken to "transfer the town of Wittenoom" as outlined in the member's question. At the request of the Wittenoom health and works committee, the State Government has identified an alternative "clean" area some 7 kilometres from the existing townsite where future development can take place.

The results of the monitoring at the present townsite are tabled herewith.

It is important to add that there is no generally acceptable method of testing for asbestos in the environmental situation and no standard with which to compare the results. This has been stressed repeatedly to the people of Wittenoom. Qualitatively all the tests confirm that a known cancer causing agent is present in the air and is of respirable size.

The paper was tabled (see paper no. 518).

HOUSING: INTEREST RATES

Loans: Low Interest

2152. Mr BRIAN BURKE, to the Honorary Minister Assisting the Minister for Housing:

What authority exists to increase the interest rate on low interest rate loans which were taken out each year prior to 1978?

Mr LAURANCE replied:

The authority is contained in the Housing Agreement (Commonwealth and State) Act 1981 and in variable rate clauses in mortgage documents.

TRAFFIC: DRIVERS

Licences: Tests

2153. Mr BRIAN BURKE, to the Minister for Police and Traffic:

- (1) What is the current delay on bookings for motor driving tests at the Road Traffic Authority centre at Warwick?
- (2) Is the centre currently below its usual staffing levels?
- (3) What is the average number of bookings per week?

Mr HASSELL replied:

- (1) There are currently no delays in bookings at the Warwick Centre. However, the situation is not static and can fluctuate from week to week.
- (2) No.
- (3) During the last five weeks the average is 225.

AGED PERSONS

Hostels: Frail Aged

2154. Mr HODGE, to the Minister for Health:

In his 1980 election policy speech the Premier stated that the private sector would be invited to provide hostels for the frail aged on a subsidised basis. I ask—

- (a) how many such invitations has the Government extended to the private sector;
- (b) how many have been accepted; and
- (c) how many new frail aged hostels have been constructed as a result of this initiative?

Mr YOUNG replied:

- (a) to (c) It is the practice of the Government to keep its election policy under review, and at least once during the life of a Parliament to give a summary of progress. Such a summary is now in preparation and should be available in a few weeks. This summary will indicate Government achievements in the current term and provide a progress report on implementation of the election policy document.

In these circumstances, the Government does not propose to cause duplication of effort by requiring an answer to this and any similar question relating to the election policy document.

AGED PERSONS

Future Programme

2155. Mr HODGE, to the Minister for Health:

- (1) Will he provide details on what progress has been made on implementing a special programme to cope with an expected doubling of aged persons in the Western Australian community over the next two decades as outlined in the Premier's 1980 election policy speech?
- (2) What steps have been taken to date to shape the programme, as far as possible, to enable aging persons to remain active and independent?

Mr YOUNG replied:

- (1) and (2) See answer to question 2154.

HEALTH: ASSISTANT COMMISSIONER

Initiatives

2156. Mr HODGE, to the Minister for Health:

Will he provide details of any initiatives taken for the improvement of person and family health by the Assistant Commissioner of Health Promotion since his appointment?

Mr YOUNG replied:

See answer to question 2154.

HEALTH

Advisory Committee

2157. Mr HODGE, to the Minister for Education:

- (1) Is his department satisfied with the performance and progress made by the advisory committee on health education that he and the Minister for Health jointly established early in 1980?
- (2) Will he provide me with a resume of the committee's activities since its appointment?

Mr GRAYDEN replied:

- (1) Yes.
- (2) The committee has presented an interim report recommending *inter alia* that a systematic K-10 health education curriculum be developed and introduced in all schools. I have accepted this recommendation and the committee is now, in co-operation with the Education Department, preparing more detailed recommendations on the matter.

HEALTH: ELECTION POLICY

Implementation

2158. Mr HODGE, to the Minister for Health:

Will he provide details of the progress made to date in adding a new dimension to the fight against illness in the 80s—the fight for fitness, as promised by the Premier in his 1980 election policy speech?

Mr YOUNG replied:

See answer to question 2154.

TRANSPORT: DISABLED PERSONS

Report

2159. Mr HODGE, to the Minister for Transport:

- (1) Has the committee he appointed early in 1980 to examine the transport requirements of physically handicapped persons reported to him?
- (2) If he has received the committee's report, will he provide me with a copy?

Mr RUSHTON replied:

- (1) Yes.
- (2) I have much pleasure in tabling the committee's report today. The report is a very worthwhile and useful study and I commend its contents for members' information.

The report was tabled (see paper No. 517).

AGED PERSONS

Emergency Call Equipment

2160. Mr HODGE, to the Minister for Health:

What progress has been made with the examination of the possibility of providing aged persons with electronic emergency call equipment as promised in the Premier's 1980 election policy speech?

Mr YOUNG replied:

See answer to question 2154.

HOUSING: FLATS

Granny: Transportable

2161. Mr HODGE, to the Minister for Health:

- (1) What progress has been made on the implementation of the Government's election undertaking to have an examination of the provision of transportable granny flats on a rental basis?
- (2) Are the discussions on this matter between officers of the Department of Health and Medical Services, the State Housing Commission, and the Department of Local Government concluded yet, and if so, what was the result?

Mr YOUNG replied:

- (1) and (2) See answer to question 2154.

2162 to 2164. *These questions were postponed.*

PUBLIC SERVANTS

Number

2165. Mr BRIAN BURKE, to the Premier:

- (1) What was the total number of Public Service staff in 1980-81?
- (2) What was the total number of persons employed by the State Government, including instrumentalities, in 1980-81?

- (3) What is the estimated total number of Public Service staff in 1981-82?
- (4) What is the estimated total number of persons employed by the State Government, including instrumentalities, in 1981-82?

Sir CHARLES COURT replied:

- (1) 14 475 as at 30 June 1981.
- (2) 95 052 as at 30 June 1981.
- (3) and (4) While provision has been made for staff increases in areas such as education, health, police, corrections, etc., the overall Government policy will be one of containment in 1981-82. In line with this policy, the Public Service Board will closely scrutinise the filling of vacancies and wherever possible economies will be made. As a consequence, it is not practicable to give an estimation of Public Service staff and of persons employed by the State Government, including instrumentalities in 1981-82.

TIMBER

Royalties

2166. Mr BRIAN BURKE, to the Treasurer:

What is the estimated additional revenue in 1981-82 resulting from increases in timber royalties as announced earlier this year?

Sir CHARLES COURT replied:

Hardwood sawlog royalties, which were increased from 1 July 1981, are expected to yield additional revenue of \$1.256 million.

STATE FINANCE

Cash Balance Investment

2167. Mr BRIAN BURKE, to the Treasurer:

- (1) What is the estimated revenue in interest earnings from the investment of Treasury cash balances in 1981-82?
- (2) What is the estimated net interest earnings from the investment of Treasury cash balances in 1981-82 available to the Consolidated Revenue Fund?

Sir CHARLES COURT replied:

- (1) No estimate of probable earnings in 1981-82 has been made as it depends on two key variables which can change substantially from year to year and during the year; namely, the amount of cash available for investment and the average interest rate payable on short-term funds.

For example, the average rate of return obtained is currently running some 30 per cent higher than last year but it is not expected that a return of that magnitude will be achieved throughout the year nor that cash balances will hold at the present level.

It is because of the unpredictability of this item that it has been long-standing policy to pay net earnings to Consolidated Revenue or to Loan Fund in the following year after distribution of amounts due to trust funds and other authorities.

- (2) In accordance with this procedure, the net earnings available to the Budget in 1981-82 amount to \$15.4 million, of which it is proposed that \$12.6 million be paid to Consolidated Revenue to bring the Budget into balance and \$2.8 million be paid to the General Loan Fund to augment the capital works programme.

PAY-ROLL TAX: EXEMPTION

Level: Increase

2168. Mr BRIAN BURKE, to the Treasurer:

- (1) What is the estimated cost in—
 (a) 1981-82;
 (b) in a full financial year;
 of increasing from 1 January 1982 the basic level of annual exemption—or deduction—from pay-roll tax from \$72 000 to \$87 800, the maximum level of diminishing deduction from \$131 400 to \$160 000 and the maximum deduction of \$32 400 to \$39 500?
- (2) What number or additional number of small businesses would be exempt from pay-roll tax if existing levels of exemption and deduction were increased to the levels identified in (1)?

Sir CHARLES COURT replied:

- (1) (a) \$1.4 million;
 (b) \$3.3 million.

- (2) About 500.

As the member would now be aware, the Government is proposing to introduce pay-roll tax concessions which are considerably more generous than those outlined in his question.

STATE FINANCE: CONSOLIDATED REVENUE FUND

Revenue

2169. Mr BRIAN BURKE, to the Treasurer:

- (1) What amount of revenue raised in 1980-81 has been credited to the Consolidated Revenue Fund in the months of July and August of 1981-82?
- (2) What were the sources of the revenue identified in (1) and the amounts of revenue from each source?
- (3) Is it a fact that a Treasury circular was sent to several departments and instrumentalities towards the end of the 1980-81 financial year instructing them to defer revenue payments to the Consolidated Revenue Fund until after the end of 1980-81?
- (4) What was the amount of revenue payments to the Consolidated Revenue Fund deferred in this way?

Sir CHARLES COURT replied:

- (1) and (2) This information is obtained by the Auditor General from all departments and published in his report to Parliament. (See appendix 6, page 323 of the Auditor General's report for 1979-80). Similar information in respect of 1980-81 will be provided in the Auditor General's report for that year to be presented soon.
- (3) No.
- (4) Not applicable.

EDUCATION: DEPARTMENT

Wages and Salaries

2170. Mr BRIAN BURKE, to the Minister for Education:

- (1) What was the total expenditure on wages and salaries in 1980-81 for—
 (a) the Education Department as a whole;
 (b) total teaching staff;
 (c) total non-teaching staff?

- (2) What amount of the expenditure on wages and salaries identified in (1)(b) above was incurred for each category of teaching staff?
- (3) How many teaching staff were employed in each category identified in answer to (2)?

Mr GRAYDEN replied:

- (1) (a) \$330 756 635;
(b) \$264 080 142;
(c) \$65 443 760.

NOTE: Additional net accruals of \$1 232 733 were also incurred.

(2) and (3) NUMBERS OF, AND SALARIES EXPENDITURE ON, TEACHERS AS AT 30/6/81

Category of Education	Number of Staff	Expenditure \$
Pre-school	204	2 910 110
Primary—pre-primary	7 490	122 046 987
Secondary	5 246	92 422 867
Educational services	532	10 747 054
Technical education	1 457	35 953 124
TOTAL	14 929	\$264 080 142

NOTE: Expenditure was incurred in respect of relief teachers and part-time lecturers; however, no corresponding full-time equivalents are included in the number of staff.

STATE FINANCE: TAXES AND CHARGES

Revenue: Increases

2171. Mr BRIAN BURKE, to the Minister for Transport:

What is the estimated additional revenue in 1981-82 resulting from increases in the following rates and charges announced earlier this year—

- (a) motor vehicle licence fees;
(b) drivers licence fees;
(c) fuel levy;
(d) MTT bus fares;
(e) Westrail train fares;
(f) Westrail freight rates;
(g) port authority charges;
(h) marine charges?

Mr RUSHTON replied:

- (a) \$4.649 million;
(b) \$1.8802 million;
(c) \$4.346 million;
(d) bus, \$2.8 million; suburban rail, \$0.5 million;

- (e) \$0.65 million, includes Westrail road passenger services;
(f) \$9.1 million;
(g) \$3.211 million;
(h) \$0.748 million.

STATE FINANCE: TAXES AND CHARGES

Revenue: Increases

2172. Mr BRIAN BURKE, to the Minister for Fuel and Energy:

What is the estimated additional revenue in 1981-82 resulting from increases in the following rates and charges announced earlier this year—

- (a) electricity charges;
(b) gas charges?

Mr P. V. JONES replied:

- (a) and (b) As announced at the time of the increase, the estimated additional revenue will total approximately \$50 million.

STATE FINANCE: TAXES AND CHARGES

Revenue: Increases

2173. Mr BRIAN BURKE, to the Honorary Minister Assisting the Minister for Housing:

What is the estimated additional revenue in 1981-82 resulting from increases in the State Housing Commission rents announced earlier this year?

Mr LAURANCE replied:

The increase in rents is estimated to yield an additional revenue of \$3.2 million after allowing for rebates. However, allowing for outgoings the result of the rental operation is estimated to be a deficiency of about \$9.0 million.

STATE FINANCE: TAXES AND CHARGES

Revenue: Increases

2174. Mr BRIAN BURKE, to the Minister for Local Government:

What is the estimated additional revenue in 1981-82 resulting from increases in third party motor vehicle

insurance premiums as announced earlier this year?

Mrs CRAIG replied:

\$16 million.

STATE FINANCE: TAXES AND CHARGES

Revenue: Increases

2175. Mr BRIAN BURKE, to the Minister for Water Resources:

What is the estimated additional revenue in 1981-82 resulting from increases in the following rates and charges announced earlier this year—

- (a) metropolitan water charges for domestic consumers;
- (b) metropolitan water charges for industrial-commercial consumers;
- (c) metropolitan sewerage charges for residential services;
- (d) metropolitan sewerage charges for non-residential services;
- (e) drainage charges for residential services;
- (f) drainage charges for non-residential services;
- (g) country water rates and charges;
- (h) country sewerage rates and charges;
- (i) country drainage rates and charges;
- (j) irrigation charges?

Mr MENSAROS replied:

	Rates \$M	Consumption Beyond Allowance \$M
(a)	3.0	2.5
(b)	3.7	
(c)	5.7	
(d)	2.4	
(e)	.4	
(f)	.2	

The calculations for (a) to (f) do not allow for the actual reduction on income last year and the projected reduction on income this year, resulting from the 50 per cent legislation applying for both years.

- (g) \$4 469 000
- (h) \$348 000
- (i) \$156 000
- (j) \$415 000

STATE FINANCE: TAXES AND CHARGES

Revenue: Increases

2176. Mr BRIAN BURKE, to the Minister for Health:

- (1) What is the estimated additional revenue in 1981-82 resulting from increases in hospital bed charges announced earlier this year?
- (2) What is the estimated revenue in 1980-81 arising from the imposition of—
 - (a) outpatient service fees;
 - (b) medical service charges?
- (3) What is the estimated saving to the Government in 1981-82 resulting from—
 - (a) the pensioner patient contribution to public nursing homes being increased from 75 per cent to 87½ per cent;
 - (b) hospitals no longer meeting the cost of interhospital transport, except for pensioners and disadvantaged?

Mr YOUNG replied:

- (1) \$32.5 million.
- (2) In view of the financial year quoted in part (1) of this question, it is assumed that the member is referring to the financial year 1981-82 in this part of the question.
The answers for 1981-82 are:
 - (a) \$5.0 million;
 - (b) \$6.7 million.
- (3) (a) \$0.6 million;
- (b) \$0.2 million.

LOTTERIES COMMISSION

Hospital Fund: Payment

2177. Mr BRIAN BURKE, to the Minister for Health:

- (1) What is the estimated amount of funds to be paid into the hospital fund by the Lotteries Commission under section 9 of the Lotteries (Control) Act in 1981-82?
- (2) For what purposes are the moneys to be spent in 1981-82?

Mr YOUNG replied:

- (1) \$6.4 million.
- (2) These funds are not received until the end of 1981-82 and it is proposed to use them to finance part of the hospitals' capital works programme for 1982-83.

STATE FINANCE: BUDGET

Mineral Royalties

2178. Mr BRIAN BURKE, to the Minister for Mines:

- (1) What is the existing rate of royalty on each mineral in respect of which increases in mineral royalties have been announced in the Budget?
- (2) What is the proposed rate of royalty on each mineral resulting from increases in royalties announced in the Budget?
- (3) What is the estimated additional mineral royalty revenue for each mineral resulting from the increases contained in the Budget?

Mr P. V. JONES replied:

- (1) I would refer the Leader of the Opposition to regulation 205B of the regulations to the Mining Act 1904.
- (2) and (3) I refer the member to the Press announcement in respect of the increased royalties, which is tabled.

The paper was tabled (see paper No. 516).

MINING: MINERALS

Production

2179. Mr BRIAN BURKE, to the Minister for Mines:

- (1) What is the estimated value of mineral production in Western Australia in—
 - (a) the 12 months ending December 1981;
 - (b) the 12 months ending June 1982?
- (2) What is the estimated value of mineral royalties to be collected in—
 - (a) the 12 months ending December 1981;
 - (b) the 12 months ending June 1982?

Mr P. V. JONES replied:

- (1) (a) and (b) I refer the Leader of the Opposition to the Consolidated Revenue Fund Estimates of Revenue and Expenditure for the year ending 30 June 1982.
- (2) (a) \$76 272 million;
(b) I refer the member to the Consolidated Revenue Fund Estimates.

MINING: MINERALS

Production

2180. Mr BRIAN BURKE, to the Minister for Mines:

- (1) What was the value of each mineral produced in Western Australia in the 12 months ended December 1980?
- (2) What was the quantity of each mineral produced in the 12 months ended December 1980?
- (3) What was the value of mineral royalties paid on each mineral produced in the 12 months ended December 1980?

Mr P. V. JONES replied:

- (1) to (3) To supply the Leader of the Opposition with the detailed information he seeks requires extensive and time-consuming research. I will write to the member and supply him with general information.

EDUCATION: HIGH SCHOOLS

John Willcock and Geraldton

2181. Mr CARR, to the Minister for Education:

- (1) In view of the finding No. 2.32(e) of the "Review of Educational Standards in Lower Secondary Schools in WA" that course should be provided to year 12 in all high schools, will the Government take immediate steps to have John Willcock High School proceed to year 11 in 1982 and year 12 in 1983?
- (2) If not, why not?
- (3) In view of the need for early planning of classes by senior staff at Geraldton Senior High School and John Willcock High School in readiness for 1982, will he please advise whether boundary changes are proposed relating to the two schools for 1982?

Mr GRAYDEN replied:

- (1) No.
- (2) This step was recommended for consideration in the long term, not in the immediate future.
- (3) Boundary changes affecting year 8 students are being considered for 1982.

HEALTH: MEDICAL PRACTITIONERS

Geraldton

2182. Mr CARR, to the Minister for Health:

Further to his answer to question 1815 of 1981 in which he advised that negotiations were continuing on the question of treatment by private doctors at Geraldton Regional Hospital of patients with hospital only insurance, will he please advise of the latest situation?

Mr YOUNG replied:

As far as can be ascertained by the hospital administration, there have been no problems regarding the treatment of patients with hospital only insurance at the Geraldton Regional Hospital.

- (2) When was the owner of the land concerned advised of the decision?
- (3) In what form and on what date was notice given to the owner that he must vacate his house and land?
- (4) What length of time was the owner given by way of notice to actually vacate his house and land?

Mr MENSAROS replied:

- (1) June 1979.
- (2) Negotiations for purchase commenced August 1979.
- (3) Resumption finalised with one owner (Mr Tomasich) on 21 May 1981 and with the other owner (Mrs Bacich) on 11 September 1981.
- (4) Entry was effected on Tomasich land 28 July 1981. No entry has yet been made on Bacich land.

TRANSPORT: ROAD

Coal

2183. Mr CARR, to the Minister for Transport:

Further to his answer to question 1083 of 1981 in which he advised that 374 tonnes of coal was carted between Collie and Geraldton in the period 1 January 1981 to 30 April 1981—

- (a) who carted the coal;
- (b) for whom was it carted;
- (c) is this quantity typical of a regular supply, or was it a "one-off" contract?

Mr RUSHTON replied:

- (a) J. A. & E. P. Neill, Cartage Contractors of Geraldton;
- (b) Geraldton Brickworks;
- (c) it is a regular supply and is used as an additive to the clay in the manufacture of certain types of bricks.

SEWERAGE: PUMPING STATION

Spearwood

2184. Mr A. D. TAYLOR, to the Minister for Water Resources:

- (1) With respect to construction of a sewerage pumping station in Mayor Road, Spearwood, when was the decision made to so site the pumping station?

SEWERAGE: PUMPING STATION

Spearwood

2185. Mr A. D. TAYLOR, to the Minister for Water Resources:

- (1) With respect to construction of a sewerage pumping station in Mayor Road, Spearwood, on what date did pumping of water from, and below, the water table actually commence?
- (2) What quantity of water has been pumped from the site?
- (3) To where is this water being pumped?
- (4) What quantity of water per day is presently being pumped from the site?
- (5) For how much longer is pumping expected to continue?

Mr MENSAROS replied:

- (1) Intermittent pumping occurred as from 5 August 1981 until 16 September 1981, at which date continuous pumping occurred until this date.
- (2) Approximately 800-900 megalitres.
- (3) To Lake Coogee via a natural water course north of Lake Coogee. Water is simultaneously pumped from Lake Coogee to the sea.
- (4) 30 megalitres per day.
- (5) Pumping will continue at a substantially reduced rate as from 15 October 1981 until 31 October 1981 as construction of the pump station progresses.

SEWERAGE: PUMPING STATION

Spearwood

2186. Mr A. D. TAYLOR, to the Minister for Water Resources:

- (1) With respect to construction of a sewerage pumping station on Mayor Road, Spearwood, was a chemical analysis made of the ground water on site prior to commencing pumping?
- (2) Have periodic analyses of water been taken from the site as pumping continues?
- (3) If "Yes" to (2), on what date was the last sample taken?
- (4) If "Yes" to (1) and (2), would he table the results of all such samples taken?

Mr MENSAROS replied:

- (1) No, but the water quality in the general area was known.
- (2) Yes.
- (3) 8 October 1981.
- (4) 20.8.81 Sodium chloride 560 mg/litre
26.8.81 Sodium chloride 540 mg/litre
9.9.81 Sodium chloride 440 mg/litre
8.10.81 Sodium chloride 2 900 mg/litre

HOUSING: INTEREST RATES

Building Societies

2187. Mr WILSON, to the Honorary Minister Assisting the Minister for Housing:

- (1) Is it fact that home owners who rent out their homes and move to other parts of the State to improve their earnings to enable them to maintain steeply increasing home mortgage repayments so that they might keep their homes and those who rent their homes out when they are transferred in their employment, are being penalised by special interest rate increases in the order of an additional 3 per cent?
- (2) Is he aware that it is an across-the-board policy of permanent building societies in Western Australia to impose additional interest rates of this order in such cases without any investigation whatsoever?
- (3) Is his department concerned about this situation especially with regard to the practice of additional rates being imposed without investigation?
- (4) If "Yes" to (3), what action, if any, does he propose to take?

Mr LAURANCE replied:

- (1) to (4) It is common practice among lending institutions to charge an investment rate on housing loans on properties which are not occupied by the owner.

The difference between the owner/occupier rate and the investment rate in all instances is not as high as 3 per cent, and if a borrower experiences genuine hardship resulting from the increased rate, he should approach his lending institution for a re-assessment, giving details of his income and expenditure.

HOUSING: BUILDING SOCIETIES

Sponsorship of Sport

2188. Mr WILSON, to the Honorary Minister Assisting the Minister for Housing:

- (1) Is any record kept of the amounts spent by permanent building societies and other lending authorities on advertising and sponsorship of sport and other community activities?
- (2) If "Yes", what do these statistics reveal about the proportion of funds allocated by lending authorities to these areas?
- (3) Is the Government concerned that at a time of great difficulty for home buyers due to high interest rates and a shortage of funds for housing, lending authorities are devoting such a proportion of their funds to advertising and sponsorship?

Mr LAURANCE replied:

- (1) to (3) The advertising/promotion expenditure of all permanent building societies approximates 0.2 per cent of their total assets. This is not considered to be excessive, and details are not known with regard to other lending authorities.

HOUSING: INTEREST RATES

Mortgage Assessment and Relief Committee: Applications

2189. Mr WILSON, to the Honorary Minister Assisting the Minister for Housing:

- (1) What is the total number to date of applications for assistance referred to the mortgage assessment and relief committee?

- (2) How many applications have been considered by the committee, and of these—

- (a) how many have been approved for assistance;
(b) how many have been deferred;
(c) how many have been rejected?

- (3) What is the range of payments of those—

- (a) referred for assistance;
(b) approved for assistance;
(c) deferred;
(d) rejected?

- (4) In view of the relatively high proportion of applications being rejected by the committee even after initial thorough screening by lending authorities, is he considering any broadening of the guidelines governing referral to the committee?

- (5) If "Yes" to (4), what areas will be opened up for wider consideration?

- (6) If "No" to (4), why not?

Mr LAURANCE replied:

- (1) 119.

- (2) (a) Approved 60
(b) Deferred 18
(c) Rejected 21

Total 99

- (3) (a) to (d) The monthly repayments are—

	Re-ferred	Ap-proved	De-ferred	Re-jected
Less than \$200	8	4	—	1
\$200 to \$250	5	3	—	2
\$250 to \$300	40	19	7	10
over \$300	66	34	11	8
Total	119	60	18	21

- (4) to (6) The guidelines are flexible and do not require alteration.

COMMUNITY WELFARE

Child Welfare Act

2190. Mr WILSON, to the Minister for Community Welfare:

- (1) Is it intended to introduce amendments to child welfare legislation in the current session of Parliament?
(2) If "Yes", will these amendments constitute a major review of current legislation?

- (3) What aspects of the current legislation will be affected by any such amendments?

- (4) Is a major review of child welfare legislation—

- (a) currently under way; or
(b) being considered?

Mr HASSELL replied:

- (1) to (4) Consideration is being given to many aspects of the Child Welfare Act. When these considerations are complete and decisions made by the Government, any necessary legislative amendments will be put to this House.

COMMUNITY WELFARE: ADOPTIONS

Legislation: Review

2191. Mr WILSON, to the Minister for Community Welfare:

- (1) Is any review of the Adoption of Children Act currently in process or is any consideration being given to such a review?

- (2) Why was the "adoption of children—access of information" discussion paper not made available for public comment?

- (3) Is further debate on this matter desirable in the community?

- (4) If "No" to (3), why not?

Mr HASSELL replied:

- (1) Some aspects of adoption practice are being considered. This could lead to amendment of the Adoption of Children Act.

- (2) It was basically an internal discussion paper which identified issues. However, it was made available to—

the Family Policy Advisory Committee,

the Chairman of Judges, Family Court,

the Law Society of Western Australia,

Mr B. Hodge, M.L.A.,

The West Australian Newspaper.

Any other reasonable request would be considered.

- (3) There has been considerable public debate, many views have been expressed to the Government and some formal submissions have been made.

- (4) Not applicable.

TRANSPORT: BUSES

MTT: Wages and Salaries

2192. Mr WILSON, to the Minister for Transport:

- (1) In view of Government statements critical of the recent \$12 per week wage increases for MTT drivers, can he confirm that he has within recent months sanctioned increases for MTT officers as a result of upgradings which in some cases represent increases of thousands of dollars per year?
- (2) In particular, what has been the increase in weekly pay rates for depot superintendents as a result of their upgrading from the classification of depot masters?
- (3) When were the following positions created and what is the salary paid in each case—
 - (a) internal discipline officer;
 - (b) senior depot master;
 - (c) traffic superintendent; and
 - (d) marketing manager?
- (4) What was the total cost to the MTT of pay rises due to upgrading of officers sanctioned by him in the past financial year?

Mr RUSHTON replied:

- (1) A new progressive management structure has been developed from within the MTT organisation with five directors and 15 branch managers who were given greater responsibilities and accordingly their jobs have been reclassified with salaries being assessed after consultation with the Public Service Board.
The main objectives with the new structure is to achieve improved efficiencies, reduced costs of operation and increasing earnings.
- (2) Nil, the only change was in their designation.
- (3) (a) No position;
(b) no position;
(c) position created on 14 May 1979 and abolished on 14 September 1981. At time of appointment the position received \$16 931 p.a.;
(d) the position of marketing manager was created and advertised in September 1981. No appointment has been made as yet and the salary is \$24 457 p.a.

- (4) \$9 827 in the financial year ending 30 June 1981.

EDUCATION: ACT

Regulations: Review

2193. Mr WILSON, to the Minister for Education:

I refer to the answer given by his predecessor in office to my question 436 of 1978 in which he advised that a review of all regulations under the Education Act had begun prior to strong recommendations in the report from the Parliamentary Commissioner at the end of 1977 for a total review of the regulations, and ask: What is the current state of progress with this review, and when is it anticipated that the review will be completed?

Mr GRAYDEN replied:

The review of the Education Act and regulations and administrative instructions has been commenced by the office of the Parliamentary Draftsman. They comprise a very complex set of interrelated provisions which must be revised simultaneously. It is anticipated that the review will not be completed in less than 12 months.

HOUSING: SHC

Building Supervisors

2194. Mr WILSON, to the Honorary Minister Assisting the Minister for Housing:

- (1) What is the optimum number of building supervisors that has been established as necessary to meet the needs of the State Housing Commission?
- (2) What is the current number of building supervisors employed by the commission?
- (3) In which of the commission's metropolitan and regional offices do vacancies currently exist for building supervisors and how many vacancies exist in each office?

- (4) Is the commission considering a submission proposing that vacancies for building supervisors in country regional offices be advertised in the region concerned and that positions be filled by applicants from within the region wherever possible as a means of obviating the expense incurred by transferring an established supervisor and his family to another part of the State and the disruption involved for the man and his family?
- (5) If "Yes" to (4), what decision, if any, has been reached on any such proposal?

Mr LAURANCE replied:

- (1) The present supervisory staff establishment is 61 items.
- (2) 60 supervisors are presently employed and one position is in process of being filled.
- (3) In the metropolitan pool of supervisors, one vacancy exists and is in process of being filled.
- (4) No.
- (5) Answered by (4).

HOUSING: SHC

Office: Parking

2195. Mr WILSON, to the Honorary Minister Assisting the Minister for Housing:

- (1) Is he aware of problems experienced by State Housing Commission clients in obtaining car parking space in Plain Street outside the commission's head office in East Perth?
- (2) Is he also aware that there always appears to be a large number of unused car park spaces available in the parking area reserved for employees' cars at the rear of the building?
- (3) Has any consideration been given to making available a proportion of the parking spaces currently reserved for employees to commission clients on a limited time basis?
- (4) If "Yes" to (3), what was the result of such consideration?
- (5) If "No" to (3), will he agree to have some such proposal for limited client parking investigated?

Mr LAURANCE replied:

- (1) No. With the decentralisation of the State Housing Commission in the metropolitan area the commission's clients are expected to call on the metropolitan regional offices to conduct their business.
- (2) No.
- (3) No.
- (4) Answered by (3).
- (5) No.

COMMUNITY WELFARE

Emergency Relief

2196. Mr WILSON, to the Minister for Community Welfare:

- (1) Can he confirm that studies carried out by his department indicate that there was a startling upsurge in emergency relief expenditure representing an increase of 110 per cent in 1980-81 over and above the previous year?
- (2) Can he also confirm that these studies show that emergency relief in Western Australia is administered in an *ad hoc* fashion and is in need of a framework for rational structuring?
- (3) If "Yes" to (1) and (2), what specific action is the Government taking to meet the apparent rapid increase in the need for emergency assistance and the need to develop a rational structure for such relief?
- (4) Is he concerned that data are not collected on the number of unsuccessful applicants for emergency relief and that therefore the increase in expenditure alone may not give an accurate indication of the actual demand?
- (5) If "Yes" to (4), what action is being taken to broaden the scope of data collection in this area and to work in with the drive by voluntary agencies to improve the system of data collection in association with emergency care services as a means of identifying the actual extent of the problem involved?

Mr HASSELL replied:

- (1) Yes. A report prepared jointly by the State Energy Commission and the Department for Community Welfare on proposals for rebated electricity and gas charges noted that the rate of emergency relief expenditure was up 110 per cent for the current year when compared with a comparable period in 1979-80. The figure, although correct at the time of publication, did not reflect full year expenditures. Expenditure on emergency relief in the financial year 1980-81 increased from \$432 337 to \$711 145, an increase of 65 per cent.
- (2) No. Emergency relief administered by the Department for Community Welfare is delivered under the terms of the Welfare and Assistance Act 1961. The Act provides for the State-wide administration of emergency financial assistance and contains appropriate discretionary provisions ensuring proper consideration of all requests for assistance.
- (3) All eligible claims for assistance have been met.
- (4) No. Many applicants not eligible for assistance from the Department for Community Welfare are referred to the non-statutory welfare organisations that may have more specific forms of assistance available.
- (5) In the context of (3) above, the Department for Community Welfare is participating in work with the Council of Social Service of Western Australia in a review of emergency financial assistance needs and is seeking to improve data collection in the area.

HOUSING: BOARDING HOUSE

Fremantle

2197. Mr WILSON, to the Honorary Minister Assisting the Minister for Housing:

- (1) Is he aware of the problem facing 22 single men including old-age pensioners who are being evicted from a Fremantle boarding house following its sale to new owners?
- (2) Has the State Housing Commission been approached about solving the accommodation problems of these men, and if so, with what result?

- (3) Is he aware that the Victorian Housing Commission has purchased a number of lodging houses as a means of meeting the accommodation problem of single men on low incomes and pensions?
- (4) What consideration, if any, has been given to this possibility by the State Housing Commission in Western Australia, and with what result?

Mr LAURANCE replied:

- (1) No.
- (2) No.
- (3) No.
- (4) The commission is continuing with a substantial programme to construct pensioner units for both pensioner couples and single pensioners.

2198. *This question was postponed.*

KINGS PARK BOARD

Photographs

2199. Mr WILSON, to the Minister representing the Minister for Lands:

- (1) Is it necessary to obtain the prior permission of the Kings Park Board for photographs taken for commercial purposes in Kings Park?
- (2) If "Yes", are Press and television photographers required to obtain such prior approval from the board before taking photographs or film in Kings Park?
- (3) If "No" to (2), why was a Press photographer recently warned by a ranger against taking photographs to be used in the fashion pages of a newspaper as part of a newspaper article, without prior permission from the board?
- (4) How do park rangers distinguish between commercial photographers who are required to obtain such prior permission and others?

Mrs CRAIG replied:

- (1) Yes, under by-law 12(3).
- (2) Yes, where commercial photography is for advertising or the promotion of the sale of goods and/or services but not in the case of normal news reporting.
- (3) Answered in (2).
- (4) By personal approach.

FUEL AND ENERGY: ELECTRICITY*Charges: Farm Irrigation and Timber Mills*

2200. Mr EVANS, to the Minister for Fuel and Energy:

What is the difference in the level of charges made by the State Energy Commission for electricity used for farm irrigation and for electricity used by timber mills?

Mr P. V. JONES replied:

The commission does not distinguish between electricity used for farm irrigation and electricity used for timber mills.

The same range of "industrial, commercial and general" tariffs are available for both applications.

STOCK: SHEEPSKINS*Treatment: Tests*

2201. Mr EVANS, to the Minister for Agriculture:

Will he table the report of the tests carried out by CSIRO on clout-affected wool?

Mr OLD replied:

Yes. Report hereby tabled.

The report was tabled (see paper No. 515).

WATER RESOURCES: CATCHMENT AREAS*Clearing Bans: Prosecutions*

2202. Mr EVANS, to the Minister for Water Resources:

(1) How many prosecutions have been carried out with regard to illegal clearing in water catchment areas where clearing bans apply?

(2) Are any legal actions concerned with illegal clearing in catchment areas pending, and if so—

(a) how many;

(b) from what districts does each case under consideration come?

(3) Is it a fact that an action for illegal clearing in a water catchment area where bans apply cannot proceed after a lapse of two years?

Mr MENSAROS replied:

(1) Two.

(2) (a) and (b) No. However there are four cases of clearing without licences for which special agreements are being negotiated in accordance with my arrangements made with the Primary Industry Association of WA (Inc.).

(3) Prosecutions must be commenced within two years of the alleged offence as provided for in section 115 of the Country Areas Water Supply Act 1947-1980.

WATER RESOURCES: CATCHMENT AREAS*Clearing Bans: Compensation*

2203. Mr EVANS, to the Treasurer:

(1) Who was the valuer who inspected and assessed compensation on the following properties in the Warren catchment area:

(a) Nelson Locations, 3746, 3745, 3744—in July 1980 approx.;

(b) Nelson Location 3627—in January 1980 approx.; and

(c) Nelson Location 3628—in May 1981 approx.?

(2) (a) What were the qualifications of this valuer;

(b) was he employed by the Valuer General's Department; and if so, what was the length of service;

(c) is this valuer still in the Valuer General's Department?

Sir CHARLES COURT replied:

(1) (a) to (c) Mr R. J. Ferguson.

(2) (a) Associate of the Australian Institute of Valuers;

(b) Mr Ferguson was employed by the department from February 1970 until he resigned in May 1981;

(c) no.

ANIMALS: DINGOES*Pastoral Industry*

2204. Mr EVANS, to the Minister for Agriculture:

(1) What was the estimated loss to the pastoral industry through the effect of dingoes in the 1980-81 year?

- (2) (a) What was the total amount expended in the control of dingoes in the pastoral industry in 1980-81;
 (b) from what sources was this amount made up and what proportion from each source?

Mr OLD replied:

- (1) No estimate has been made.
 (2) (a) \$1.109 million from Government sources. The amount expended by private individuals is not known;
 (b) For Government expenditure the source and proportion is—
 Rate on pastoralists—
 \$ 107 000 : 9.6 per cent
 Consolidated Revenue Fund—
 \$1 002 000 : 90.4 per cent

WOOL: EXPORTS

Albany

2205. Mr EVANS, to the Minister for Transport:

What quantity of wool was exported through the port of Albany in each of the years—

- (a) 1969;
 (b) 1979;
 (c) 1980?

Mr RUSHTON replied:

- (a) 81 883 bales;
 (b) 4 532 bales;
 (c) 4 794 bales.

The member will appreciate that the sale and export of wool is a complex matter which involves the interplay of market forces and commercial transactions between sellers, buyers, and principals. For the most part negotiations on shipping arrangements, sea freight rates, etc. are undertaken between buyers, principals, and the shipowners.

WATER RESOURCES

Greenbushes and Balingup

2206. Mr EVANS, to the Minister for Water Resources:

- (1) Have investigations into the upgrading of the town water supply for

Greenbushes and Balingup been completed?

- (2) If "Yes", what are the details of such upgrading and when will these be commenced?
 (3) If "No" to (1), when is it expected that these investigations will be concluded?

Mr MENSAROS replied:

- (1) No.
 (2) Not applicable.
 (3) Preliminary investigations have shown that more detailed site investigations and stream flow measurement are required. This will take approximately 12 months to complete.

PAINTERS: UNREGISTERED

Limit

2207. Mr DAVIES, to the Minister for Labour and Industry:

- (1) As the figure limiting unregistered painters to work not exceeding \$100 was set more than 10 years ago, will he give consideration to updating this amount?
 (2) If not, why not?
 (3) If so, when?

Mr O'CONNOR replied:

- (1) to (3) The Painters' Registration Act is presently under review. Included in the matters under consideration is the raising of the present limit.

ROADS

Jarrah Road and Kent Street

2208. Mr DAVIES, to the Minister for Agriculture:

- (1) As local government proposes to obstruct Jarrah Road on the Perth side of the proposed Kent Street extension, thereby preventing employees from the Department of Agriculture having access to south eastern suburbs via Jarrah Road, has consideration been given to providing a new exit road from the department's property to the Kent Street extension as, I believe, has been suggested by one local authority?
 (2) If so, what is the decision arrived at?

Mr OLD replied:

- (1) Yes.
- (2) No decision has been made.

EDUCATION: SCHOOL SWIMMING PROGRAMME

In-term Classes

2209. Mr DAVIES, to the Minister for Education:

- (1) What final arrangements have been made for "in-school" swimming classes for the coming summer?
- (2) How do these arrangements differ from last year?

Mr GRAYDEN replied:

- (1) A seven-week in-school-time programme will span the Christmas vacation classes. In most centres three weeks will be provided at the end of 1981 and four weeks at the beginning of 1982. Some minor variations are likely to meet local conditions.
- (2) The total basic programme of in-school-time classes will be reduced from 11 weeks to seven weeks; however, schools are able to make additional arrangements utilising their own staff and resources to extend the swimming programme if they so wish.

QUESTIONS WITHOUT NOTICE

FIRES: FIRE BRIGADE

Restructuring

609. Mr BRIAN BURKE, to the Chief Secretary:

- (1) Is the Government planning or considering restructuring the Fire Brigade?
- (2) If "Yes" to (1), who is carrying out this planning, what are the full details of the alternatives being considered, and will the Fire Brigade Employees' Union be consulted?
- (3) Is the creation of a separate authority to cover country centres which presently have permanent brigades being considered?
- (4) What factors have provoked consideration of any changes?
- (5) Will the Minister assure the House that any proposed changes will not cause the loss of jobs?

- (6) Will the Minister further assure the House that the important metropolitan stations at Balcatta, Maddington and Spearwood will continue to be run by full-time professional fire fighters and not by volunteers?

Mr HASSELL replied:

I thank the Leader of the Opposition for some notice of the question. The reply is as follows—

- (1) to (6) In November 1980 I issued a detailed statement dealing with the Government's concern about a number of issues affecting the Western Australian Fire Brigades Board. In particular, the statement identified my concern about the industrial relations attitude of the union. The statement also indicated that I was giving consideration to changes to the structure of the Fire Brigades Board. With leave, I will now table a copy of the statement dated 28 November 1980. When the Government has completed its consideration of these matters and when decisions are made they will be announced.

The statement was tabled (see Paper No. 519).

FIRES: FIRE BRIGADE

Restructuring

610. Mr PARKER, to the Chief Secretary:

I wish to ask a supplementary question simply seeking from the Chief Secretary his assurance that the proposed changes will not cause the loss of jobs.

Mr HASSELL replied:

There are no detailed proposed changes which I have considered which would involve a loss of jobs.

EDUCATION: TECHNICAL

College: Claremont

611. Mr PEARCE, to the Minister for Education:

I understand the decision to close the Claremont Technical College was made without consultation with any of the

people involved. In light of the fact that the Claremont Technical College is a unique institution in the Western Australian education system, and that no consultation was made with any of the people involved—staff, students or the union—for the projected closure of this college, and given the fact that there has been no arrangement made whatsoever to have the students or the staff of that college transferred to any other specified location—none of the essential decisions have been made—will the Minister give consideration to postponing the effect of that decision for one year so that a proper investigation of the situation at Claremont Technical College may be undertaken, and, if it is still to be closed, a proper arrangement made for the relocation of staff and students?

Mr GRAYDEN replied:

The answer is, "No". This matter has been discussed for years. I draw the attention of the member for Gosnells to a report to that effect in tonight's paper. The heading is "College closure understandable". The closure of Claremont Technical College is said to be understandable, according to the principal, Mr John Farrell.

Mr Parker: We all got a copy.

Mr GRAYDEN: Then we have a statement from the State School Teachers' Union President (Mr John Negus). He agreed that the closure was understandable but he accused the Government of being insensitive in its handling of the issue.

Mr Parker: Is that part of your answer?

Mr GRAYDEN: I repeat that the matter has been discussed for years. I draw the attention of the member for Gosnells to the Premier's Press statement in which he said that the Claremont Technical College will be closed and staff and students relocated at other colleges.

Mr Pearce: No arrangements have been made to do it.

Mr GRAYDEN: I myself will be having discussions tomorrow with the Director General of Education and the Director of Technical and Further Education in respect of this particular matter I can assure the member that all the students will be adequately catered for, as will be the permanent staff.

WITTENOOM

Town: Transfer

612. Mr DAVIES, to the Minister for Urban Development and Town Planning:

Was her department called upon to select a new site for Wittenoom? Has her department played any part in it? Was an environmental study carried out before a site was selected? Is there a plan in existence for the new town of Wittenoom that she is aware of?

Mrs CRAIG replied:

No. So far as I am aware, my department was not involved in the selection of that area. The land concerned is of course Crown land and the matter would have been one that was determined by the Lands Department in association with the Department of Health. I cannot advise the member for Victoria Park whether the conservation and environment people and others were involved in the choice.

SHOPPING

Trolleys

613. Mr TONKIN, to the Premier:

The Premier may recall that I asked the Minister for Local Government the following question—

Is action warranted so as to lessen the elements associated with shopping trolleys in car parks which can damage motor vehicles?

The Minister for Local Government answered, "Not by me". I then asked a question of the Premier saying that the Minister for Local Government seemed to think it was not within her ambit, that she said in effect, "You had me out in a shopping centre pushing a trolley". I do not know how she could assume that from my question. I asked whether action was warranted to lessen the problem. When I asked the question without notice of the Premier the other day he said he would have a look at it to see which Minister's lap it would fall into. I am anxious to obtain an answer as to whether the Government does intend to do something about the great

nuisance being caused by shopping trolleys in car parks.

Mr Davies: Surely it would be the Minister for Transport.

Mr Pearce: They don't push trolleys. They are too busy flying kites.

Sir CHARLES COURT replied:

It is true the member raised the matter with me in a question without notice and I said I would have it investigated. I received the transcript of his question and the answer I gave. I asked for an explanation of it because I could not quite follow the difference of opinion that had developed between the Minister for Local Government and the member.

Mr Tonkin: Neither could I.

Sir CHARLES COURT: However, I have not got it back yet, but now that he has raised it again, I will see what has happened to it. I did not seem to think it was all that momentous, but I can understand the point he is making and I will seek the reply.

EDUCATION: HIGH SCHOOL

Tom Price

614. Mr SODEMAN, to the Minister for Education:

- (1) When was the initial survey conducted on the need for senior high school facilities in Tom Price?
- (2) What was the result of the survey?
- (3) Because of the importance of a senior high school facility to family and community stability, would the Minister agree to the Tom Price situation being reviewed on an annual basis?

Mr GRAYDEN replied:

- (1) The first full survey of families was carried out in April 1981.
- (2) There are insufficient year 11 students, other than for the alternative year 11 course, for next year to justify upgrading the Tom Price District High School.
- (3) Yes. This will also include the mining company because of its responsibility for any building programme arising from a decision to extend classes to years 11 and 12.

COMMUNITY WELFARE

Ward of the State

615. Mr SKIDMORE, to the Minister for Community Welfare:

- (1) Is Glenn Michel Said a ward of the State?
- (2) If "Yes" to (1), when was he made a ward of the State and what was the reason for his being made a ward of the State?
- (3) If "No" to (1), who has the legal custody of Glenn Michel Said?

Mr HASSELL replied:

- (1) to (3) The member gave me some brief notice of this question. I have not had an opportunity to have it considered or to obtain information from my department. However, I view the question with some concern because it names a particular child and it seeks an answer which would involve going into a very considerable history of personal details concerning a person who has had responsibility for that child. I really do not think that we should do that in this House. Although I have no reason to hide the information, in fairness to the parties concerned, in this situation it should not be given in the House.

Government members: Hear, hear!

Mr HASSELL: The question may be out of order because the father of Glenn Michel Said—if it is the case of which I am aware—has instituted various proceedings in the Supreme Court against the Minister for Community Welfare. To answer the bare details, my recollection is that this child is a ward of the State, that he was made a ward of the State some few weeks ago for reasons which I am not prepared to discuss in this House. That is as much information as I should give in the circumstances.

TRAFFIC: RTA

Resignation of Senior Executive

616. Mr CARR, to the Minister for Police and Traffic:

I refer the Minister to the rumour which I mentioned in the House last night concerning a senior executive officer of the Road Traffic Authority being

reported to have resigned. I now ask the Minister—

Has he checked out that rumour and can he advise us whether in fact a senior officer of the RTA has resigned?

Mr HASSELL replied:

I have not checked out the rumour that the member asked about yesterday. Apart from his question yesterday, it had not been drawn to my attention and I have received no advice on any resignation of a senior officer within the RTA.

EDUCATION: TECHNICAL

College: Claremont

617. Mr PEARCE, to the Minister for Education:

In the Minister's earlier answer on the question about the Claremont Technical College he conceded, did he not, that there had been no consultation. Furthermore, he reported with some glee to the House the comment of the President of the Teachers' Union that the Government was insensitive. My question is as follows—

In view of the Government's insensitivity on this issue and in view of the fact that no decision has been made as to where staff and students are to be relocated, or indeed if it is possible for this relocation to take place, will he agree to meet a deputation of staff and students from Claremont Technical College tomorrow to discuss this matter for the first time?

Mr GRAYDEN replied:

I would be most happy to meet a deputation, but certainly not tomorrow. Those sorts of negotiations are not entered into until a decision is made in respect of the actual fate of the institution concerned. The actual discussions in respect of it, however, have been taking place within the department over a very long period—not merely weeks, but months—so it is not something which was done on the spur of the moment. Now, of course, we are in a position to enter into negotiations as to the relocation of staff and students

and when that situation is clarified I would welcome an opportunity to meet with the students and staff and discuss the matter. In the meantime, of course, all sorts of discussions will be taking place between the staff and the students and officers of the department.

MINISTERS OF THE CROWN: LETTERHEADS

Government Printer

618. Mr BRIAN BURKE, to the Minister for Education:

This question follows a question to the Premier on today's notice paper, in reply to which he informed the House that it was normal practice to have ministerial printing done at the Government Printer's office. I ask the Minister for Education the following question—

- (1) Is it correct that he has arranged for ministerial cards to be prepared at Perth Technical College for himself, his Press secretary, and his private secretary?
- (2) If so, at what cost?
- (3) Why was the Government Printer not used?

Mr GRAYDEN replied:

- (1) to (3) I am not aware that any arrangement of that kind has been made. Certainly I am prepared to find out whether it is a fact. I will obtain the answer to the remainder of the question.

HEALTH: MEDICAL PRACTITIONERS

Geraldton

619. Mr CARR, to the Minister for Health:

I would like to seek further clarification of the Minister's answer to question 2182 on today's notice paper. He said that no problems had arisen regarding the treatment of outpatients with hospital only insurance at the Geraldton Regional Hospital. I want to make sure that I have the matter perfectly clear. Therefore, I ask—

Is it correct that people who have hospital only insurance and who attend at the outpatients clinic and are treated by private practitioners

do not pay for the service, but that the private practitioners charge the hospital for their services?

Mr YOUNG replied:

The member for Geraldton can interpret the answer as indicating that the number of persons with that kind of cover seeking treatment at the hospital is so small that no problem has been caused.

SOUTH AFRICA

Trade: Policy

620. Mr PEARCE, to the Premier:

- (1) In the light of the fact that at a recent seminar on business interests and subsequently on the "Nationwide" programme, the Honorary Minister for Industrial Development and Commerce suggested to Western Australian firms that they might like to increase their trade with South Africa—

Mr Blaikie: Hear, hear!

Mr PEARCE: —can the Premier tell the House whether it is the policy of his Government, as well as the policy of the member for Vasse, to promote trade between Western Australian firms and South Africa?

- (2) If so, has he made any approaches to the Prime Minister of Australia to iron out what would appear to be an inconsistency between the policy of his Government and the policy of the Australian Liberal Government?

Sir CHARLES COURT replied:

- (1) and (2) First of all; it is consistent with the policy of the Western Australian Government to encourage trade with South Africa.

Government members: Hear, hear!

Sir CHARLES COURT: We have made that public on many occasions, and we have done something about it.

Mr Hodge: Your foreign affairs policy, is it?

Sir CHARLES COURT: Further, the Prime Minister knows that not only one Minister and one member but the whole Western Australian Government does not agree with his attitude towards South Africa.

EDUCATION: HIGH SCHOOL

Bentley: Closure

621. Mr DAVIES, to the Minister for Education:

My question relates to the proposed change in the use of the Bentley Senior High School. It is as follows—

- (1) Have final arrangements been made regarding the relocation of the students?
- (2) Have the necessary staffing arrangements been made at the schools to which those students will be directed?
- (3) Has consideration been given to compensating parents for the loss incurred through the necessity to purchase new uniforms?
- (4) Have transport arrangements been made?

If the Minister can answer those four queries he will be able to satisfy many people in my electorate who are concerned about the closure of the Bentley Senior High School.

Mr GRAYDEN replied:

- (1) to (4) As far as I am aware all the problems have been overcome with the exception of compensating parents in respect of uniforms. There is no compulsion for a child to wear a uniform, and, therefore, the present uniforms may be worn to any school which the child attends. Therefore, no compensation is required.

EDUCATION: PRE-PRIMARY

Centres: Northern Corridor

622. Mr PEARCE, to the Minister for Education:

- (1) Is the Minister aware that on enrolment day at pre-primary centres in the expanding northern corridor of the metropolitan area, parents were obliged to start queuing at 5.30 a.m. to enrol their five-year-old children?

Mr Davies: Worse than going to the footie?

Mr PEARCE: In some instances parents who turned up at 8.30 a.m. were unable to enrol their children in Government pre-primary centres.

- (2) In view of the considerable hardship this enrolment procedure is causing to many people, and particularly mothers who have a few young children, will he see that steps are taken to ensure a fairer system of enrolment next year?

Mr Sibson: Can you name the pre-primary centre?

Mr PEARCE: It was Kingsley pre-primary centre, if the member for Bunbury needs to know.

An Opposition member: And that was not the only one.

Mr GRAYDEN replied:

- (1) and (2) I am not aware that that was the situation. However, I will cause inquiries to be made and certainly we will do our utmost to prevent a repetition of such a situation.

ROADS

Jarrah Road and Kent Street

623. Mr DAVIES, to the Minister for Agriculture:

I wish to ask a follow-up question to a rather complicated question I asked today about the extension of a private road in South Perth.

Mr Old: Yes, egress and ingress.

Mr DAVIES: The Minister said no decision has been made on this matter. As the construction of the Kent Street extension is well under way and it will not be long before Jarrah Road is obstructed, has he any idea when a decision is likely to be made so that I can inform local residents?

Mr OLD replied:

I am sorry but I cannot give much further information than I have given already. Certainly I will have the matter investigated. The question from the member for Victoria Park was my first knowledge of this matter.

Mr Davies: I will ask about it again next week.

Mr OLD: If Kent Street is under construction, I will ensure that a decision is made, and I will advise the member accordingly.

HEALTH: MENTAL

Graylands Hospital

624. Mr YOUNG (Minister for Health):

The member for Melville asked me whether I had seen an article in the *Weekend News* concerning allegations made by the Secretary of the Psychiatric Nurses Association about dangers to staff in the security ward of the Graylands Hospital. I told the member for Melville that I would discuss the matter with the Director of Mental Health Services and provide him with an answer. With your permission, Mr Speaker, I would like to reply to the member now.

The allegation contained in the article was that in the last six months, as a result of attacks by patients at Graylands Hospital, one psychiatric nurse had had his back broken, and two female nurses had sustained broken jaws. I could find no substantiation of that allegation by checking the workers' compensation claims.

In that six month period, nine claims were submitted in respect of Graylands Hospital. In three cases no working time had been lost. Of the remaining six cases, the maximum time off work was nine working days and the average time lost was seven working days. No claim was made in respect of the injuries referred to in the article.

It is correct that 57 per cent of the complaints about aggressive behaviour by patients at the Graylands Hospital emanate from the security ward. I would like to point out that three years ago this figure was approximately 68 per cent.

I point out that patients in that ward are there because of their condition—they are security patients.

Mr Pike's comments on the staff's attitude to the Wembley ward are patently and obviously untrue. Recently a survey was conducted of the staff at Graylands. The staff were asked to list the ward areas in order of working preference. Of the 11 staff areas, Wembley "A" ward was voted the most popular in which to work.

Mr Brian Burke: Is this the Mr Pike who is a member in another place?

Mr YOUNG: This gentleman's initials are even "R.G."!

The Wembley "B" ward was placed fourth in order of preference.

In respect of the general allegations, I would like to say that from time to time Mr Pike makes such comments. Not only are they demonstrably inaccurate, but also they are quite clearly mischievous and calculated to cause unrest amongst members of his union. At no time has he raised these allegations with the Director of Mental Health Services. He would prefer to go to the Press. He has shown much more interest in trade union politicking than he has in the welfare of his members.

Mr Hodge: This is the wonderful attitude we have heard that the Government is taking with the unions.

Several members interjected.

The SPEAKER: Order!

Mr YOUNG: I am answering the question that the member for Melville asked me about patently untrue statements of the secretary of this union.

FIRES: FIRE BRIGADE

Annual Cost

625. Mr SIBSON, to the Chief Secretary:

What is the annual cost of Fire Brigade services in Western Australia?

Mr Pearce: Read the Budget.

Several members interjected.

Mr HASSELL replied:

For the benefit of the member for Gosnells, the Fire Brigade's budget is dealt with separately.

My recollection is that the annual cost of the Fire Brigade's services for the last financial year was of the order of \$18 million. The cost for the current financial year is of the order of \$23 million. If the Fire Brigades' union succeeds in its current claim for an increase of \$50 a week plus allowances of \$12 a week, the additional cost to be added to the sum of \$23 million will be

\$3 million. As a result of that there would be a significant increase in contributions required from all insurers, and the Government and local government have already expressed concern about the current costs.

FIRES: FIRE BRIGADE

Employees

626. Mr BRIAN BURKE, to the Chief Secretary:

Perhaps I did not hear the Chief Secretary correctly when he answered the previous question. Is he indicating to the House that he is not prepared to accept the umpire's decision, in the case of the fire fighters' application for increased awards, when it is handed down? Is it the implication of his answer that the fire fighters will be put off if the wage application succeeds?

Mr HASSELL replied:

The Government is required, by law, to accept the decision of the umpire; that is if the Leader of the Opposition means the decision of the Western Australian Industrial Commission.

The Government will accept that decision but there can be no doubt that if the claim, as made, succeeds in full there will be no option, in the current financial climate, but for there to be a consideration of the levels of employment in Fire Brigade services.

The union ought to have considered its responsibility when making such an excessive claim in these circumstances. It ought to have considered whether a more reasonable claim, which had some regard for the realities of the situation, would have been better for all parties concerned.

Another union with which I am concerned in my portfolio made a claim recently of proportions which have some relationship to reality. The officers concerned are the prison officers and I would hope that we can discuss that claim sensibly. However, there is no

basis for discussion with people who make such outlandish and excessive claims.

Mr Brian Burke: When nurses were granted \$5—and that was not excessive—they were threatened with the sack.

Mrs Craig: It was 5 per cent.

Mr Brian Burke: It didn't keep up with the increase in the cost of living.

Mr HASSELL: I do not know the position of the nurses on this matter; that is the responsibility of the Minister for Health.

I am dealing with issues which come within my responsibility. Some of these claims are being lodged without regard for the fact that the employees have already had a cost of living adjustment, and this fact must be taken into consideration.

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