

Legislative Assembly

Wednesday, 18 May 1988

THE SPEAKER (Mr Barnett) took the Chair at 2.15 pm. The Clerk read prayers.

MINISTERIAL STATEMENT

Ministers - Absence from House

MR PETER DOWDING (Maylands - Premier) [2.18 pm]: I seek leave of the House to make a brief statement about the absence of the Deputy Premier and the Minister for Agriculture.

The SPEAKER: Before putting that motion, I advise that my voice is a little bit suspect today and consequently I sought some assistance. I would appreciate members' considering a tap with this gavel as being a call for order. The question is that the motion moved by the Premier be agreed to.

MR COURT (Nedlands - Deputy Leader of the Opposition) [2.19 pm]: We are prepared to accept this ministerial statement provided we have time to respond to it.

Leave granted.

MR PETER DOWDING (Maylands - Premier) [2.20 pm]: I seek to make a brief statement to the House. The Government has a firm policy of requiring Ministers to be at Parliament when in session unless there are extremely pressing reasons otherwise. Such is the case now.

The Deputy Premier and the Minister for Agriculture are not present in the House today as they have gone to Canberra as a result of the State Government's concern over persistent speculation that the Federal Government is contemplating the introduction of a tax on gold.

Members will be aware that in 1985 and throughout 1986 the State Government joined with the goldmining industry in this State to prepare a submission to campaign against the introduction of a gold tax. That campaign was successful. However, reports emanating from Canberra indicate that the gold tax debate has been resurrected and consequently last night I asked the Deputy Premier and the Minister for Agriculture, who is the Chairman of the Western Australian Gold Mining Policy Committee, to go to Canberra this morning to restate Western Australia's case. The Ministers will discuss the issue with the Prime Minister and the Federal Treasurer as well as other senior Ministers and Western Australian Federal Government members of Parliament.

While I and the Ministers have been told the gold tax issue is media speculation, I consider the matter to be one of vital concern to Western Australia and consequently important enough for the State Government to be represented in person at the highest possible level.

The Deputy Premier and the Minister for Agriculture also will be absent from the House tomorrow for the same reasons.

I thank the House for its indulgence.

MR COURT (Nedlands - Deputy Leader of the Opposition) [2.21 pm]: First I would like to clear up the procedures over the notice given to the Opposition of these ministerial statements. The Leader of the House has explained to us that he would be giving two hours' notice of the statements. We are not going to argue about this one today, but I just inform the Premier that we did not get the two hours' notice, and we have a difficulty with a second ministerial statement.

Mr Pearce: It was delivered to the Leader of the Opposition's office at 12.10 pm. When a member of Minister Beggs' staff went down to your office the letter was discovered unopened in your office with a covering letter. It had been there for two hours.

MR COURT: The Leader of the House knows I discussed this with him on the phone. He came in with me and we checked to see whether or not that statement had been delivered.

Mr Pearce: I am sorry, I then sent down one of Minister Beggs' staff members to discuss it with staff members of the Leader of the Opposition's office, and the statement was discovered unopened in your office. It had not been opened. It had been there for two hours and was not opened.

Mr COURT: The point I am making is that we need proper communication. I communicate well with the Leader of the House but we do need that two hours' notice. I think that you, Mr Speaker, are also aware of difficulties in communication at times, in terms of messages to you actually getting through.

The Premier has said that speculation about the introduction of a Federal gold tax is of great concern to this State, and he is correct. However, this Government should get its act together; it is time that the Premier asserted his authority over people within his own party who have consistently called for a State gold tax levy. There are members within his own party who for the last year -

Mr Taylor: It has been accepted by the companies involved. They think it is a good idea.

Mr COURT: The Minister interjecting is one of those people who has not ceased over the last year to want a State gold tax. I suggest that the Premier call together all the members of the Labor Party who are involved - the Minister who is currently interjecting, the Minister for Mines, the Minister for Agriculture, the Deputy Premier and Hon Mark Nevill - and come out with one voice as to what their position is on the State gold tax levy. How can Western Australia argue effectively against a Federal gold tax when the State Government itself is out promoting such a tax? When the Deputy Premier and the Minister for Agriculture arrive in Canberra, they will say, "We don't want a Federal gold tax", and they will be laughed at. They will be shown a pile of Press cuttings which show that members of the State Government are promoting a State gold tax. Consequently they will not have a great deal of credibility. The Minister for Police and Emergency Services this afternoon is again saying that there should be a State gold tax.

Mr Taylor: It is a trust fund for the people of Kalgoorlie and Boulder.

Mr COURT: It does not matter what name the Minister gives it. We are talking about the Minister for Police and Emergency Services wanting a gold tax. We all know that the gold industry is enjoying some good times because those tax incentives are in place. Why should we try to kill that thriving industry? It is typical socialist thinking that if an industry is doing well, it should be milked. At the end of the day - and even the Minister for Agriculture would agree to this if he were here - it is the community which benefits from the incentives currently in place because all those service industries which prosper when the goldmining industry prospers contribute to State Government coffers; the Government collects its share of the taxes relating to the goldmining taxes. It is interesting to note that the trade statistics which came out today indicate that income from gold - along with income from uranium - played an important part in helping our export performance.

Australia desperately needs a prosperous gold industry. How can this Government have any credibility when the Deputy Premier and the Minister for Agriculture fly over to Canberra on what can only be called a "stunt" while a Minister in this House today is still calling for a State gold tax levy?

Mr Taylor: Come up to Kalgoorlie and put that case.

Mr COURT: The Deputy Premier and the Minister for Agriculture have made this quick trip to Canberra at the same time as the member for Kalgoorlie - a Minister in this Government - is saying that there should be such a tax.

Mr Peter Dowding: Do you think there should be a Federal tax on profits from gold? Is that what you are saying?

Mr COURT: No, it is not.

Mr Peter Dowding: Are you suggesting that we are saying that?

Mr COURT: The Minister for Police and Emergency Services is saying that there should be a levy per ounce of gold produced, and he is currently arguing about how much that levy will be. The Premier should get his troops together so that they speak with one uniform voice. One Minister should not be saying, "We should have a tax" while another Minister is saying, "We should not have one".

Mr Cash: Is the Premier supporting it? What about telling the people in Kalgoorlie where you stand?

Mr Peter Dowding: I have told them exactly where I stand, as I have told the industry where I stand.

Mr Cash: Well, tell the Parliament where you stand. You are running around in circles.

The SPEAKER: Order!

Mr Peter Dowding: The only circles you are running in are seat circles.

The SPEAKER: Order! I will not shout for two reasons, the most important one being that I cannot. When I call for order, I would appreciate getting it immediately, so I do not need to shout.

Mr COURT: Thank you, Mr Speaker.

There is nothing voluntary about a gold tax levy if one Minister says, "If you don't accept the voluntary gold tax levy, you will have a compulsory one." That is what is being said by a Minister of this Government. It is interesting that just yesterday the Premier said that the former Premier, Mr Burke, had to go to Rumania because no Ministers were available to go while today the Government finds two Ministers are available to go to Canberra on what can only be called a stunt. This Government is saying, "If you do not accept our State gold tax levy on a voluntary basis, you will cop it on a compulsory basis." Before the Premier starts trying to big-note himself, he should get his troops together, speak with one voice and tell the people of this State just where he stands on this issue.

Mr Lightfoot: Mr Speaker -

Several members interjected.

Mr Pearce: Come on, you can only have one speaker.

The SPEAKER: Order! It is true that this is a free country; it is also true that Standing Orders allow for one reply.

MINISTERIAL STATEMENT

Lotteries Commission - Distributions

MRS BEGGS (Whitford - Minister for Racing and Gaming) [2.31 pm]: I seek leave to make a ministerial statement.

MR MacKINNON (Murdoch - Leader of the Opposition) [2.32 pm]: I would like to make a couple of points. First, confusion exists about what has occurred in connection with this statement which I have only just received. Could the Government make sure envelopes are marked clearly when delivered? I am advised this statement was not delivered by an officer from the Minister's office but via the parliamentary mail system.

Ministerial statements are part of the procedures of Parliament. Therefore, I ask that they be delivered clearly marked as to the contents. In recent times my office has received a lot of mail and if envelopes containing ministerial statements are sent through the ordinary system without any indication of the contents, why should they be opened at a different time?

I do not want to labour the point. A procedure should be put in place which we can all abide by. We receive the statement and have the chance to respond without the need for this type of discussion. I would appreciate this procedure in future for our mutual benefit. I seek leave to make our remarks at a later time as a consequence.

Leave granted.

MRS BEGGS (Whitford - Minister for Racing and Gaming) [2.33 pm] - by leave: I do not wish to labour the point either but I state clearly to the Leader of the Opposition that a member of my staff delivered to a member of his staff, in a manila folder, this statement at exactly 12.10 pm. The folder was not marked "Ministerial Statement" but my officer advised a person in the Leader of the Opposition's office that the contents were extremely important and were to be delivered personally to Mr MacKinnon. I have a very important statement to make and that all seems irrelevant to me now.

Mr Speaker, when the Lotteries Commission was established in 1932, it would have been hard to imagine the enormous contribution lotteries would make to the community in Western Australia in the next 56 years.

Sales of lottery tickets, in one form or another, have yielded \$994 million in that time and more than a quarter of that amount has directly benefited the whole community. More than \$170 million went to our hospitals, \$60.5 million was distributed to a wide range of worthy

charities, and \$33 million went to sporting and cultural organisations. Naturally, by far the biggest proportion of revenue went to lucky prize winners.

The present Lotteries (Control) Act, framed in 1954, has been slightly modified and extended three times. In 1972 it was extended to allow the introduction of bingo and 10 years later, bingo was allowed into licensed clubs. In 1984, that concession was also extended to hotels and taverns.

One of the key landmarks in the history of the Lotteries Commission was the introduction of Lotto in 1979. The result was a significant increase in sales which escalated dramatically when Western Australia joined the Australian Lotto block and computerised the game. Lotto brought in \$33.9 million in 1982-83 but this jumped to \$91.9 million last year and a predicted \$110 million this year. In 1982, the introduction of instant lotteries provided a further boost to revenue.

Mr Speaker, it has become apparent that the funds available for distribution have outstripped the distribution process. Compounding factors have been an increase in the number of unclaimed prizes and a dramatic rise in interest earned on the increased cash flow. The result of the Lotteries Commission's success has been a substantial and unexpected growth in funds available for distribution. Accordingly, the commission has sought approval to disburse the excess funds under section 9(2) of the Lotteries (Control) Act. Because of the commission's traditional link with hospitals, it has recommended allocation of the money to special projects in the health area.

It is my pleasant duty to inform the House that a series of one-off allocations from excess funds totalling \$26.25 million will make possible a number of important health care developments. A \$2.8 million grant will allow the establishment of a pilot breast and cervical cancer screening program and establishment of a register to ensure regular testing. An amount of \$1.25 million will be spent on providing vaccination for Aborigines against hepatitis B which affects nearly half of the Aboriginal population. A grant of \$2 million will enable the State to provide a greater range of programs aimed at reducing the surgical waiting lists at teaching hospitals and to attract matching Commonwealth grants.

A grant of \$2.9 million will help build new operating rooms and support facilities at Royal Perth (Rehabilitation) Hospital to increase the capacity of the hospital to undertake elective orthopaedic surgery. Non-teaching hospitals will be able to replace obsolete radiology equipment at a cost of \$1.8 million.

A grant of \$500 000 will be used to convert Bicton hospital to a nursing home for young disabled patients. A fund of \$1 million will be set up to supply seeding grants to community based health care groups, particularly in rural areas. Armadale hospital permanent care unit will get \$1.5 million to help provide another 24 patient beds.

A grant of \$2 million will fund the implementation of the Kamien Report recommendations aimed at improving the recruitment and retention of country doctors. A tranquilliser education program to address over-prescription and overuse of tranquillisers by the community will be established using a lotteries grant of \$100 000. A grant of \$300 000 will allow the establishment of a Research Institute of Child Health at Princess Margaret Hospital. With the help of a \$900 000 grant, the Cottage Hospice will be able to continue to provide services and a suitable environment for the terminally ill. A grant of \$9.2 million will allow the much needed redevelopment of Derby Regional Hospital.

Clearly, in view of the enormous increase in popularity of lottery products, particularly Lotto, and the consequent increased cash flow generated, there is a need to change the Lotteries (Control) Act to avoid creating pools of funds which cannot easily be distributed for the good of the community. I will be putting proposed legislation before the House later in this session which will have the effect of increasing support for the hospital fund, for sporting organisations, for the arts and for those groups applying for help from the Lotteries Commission's own charity distribution fund.

Details of that package will be discussed in due course but I can assure the House that the intention is to put available Lotteries Commission funds to the best use, as quickly as possible, for the benefit of both the community and the many worthy groups which make a valuable contribution to our society.

Government members: Hear, hear!

DEPUTY CHAIRMEN OF COMMITTEES

Appointment

THE SPEAKER (Mr Barnett): I have to announce that the following members have been appointed Deputy Chairmen of Committees for the present session: The member for Perth (Dr Alexander), the member for Victoria Park (Dr Gallop), the member for Welshpool (Mr Thomas) and the member for Albany (Mr Watt).

PETITION

Conservation - Shark Bay

MR HASSELL (Cottesloe) [2.37 pm]: I have a petition from certain citizens of Western Australia in the following terms -

To:

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

We, the undersigned respectfully sheweth:

That following the Hon. Minister for Planning's promises, made at the public meeting at Shark Bay on 24 March 1988, in which he said "if the local people do not want Heritage Listing of the Hamelin Pool then the State Government will not proceed to nominate it and will oppose that Listing . . . in the most unequivocal terms that the State Government will oppose the total listing of Shark Bay for World Heritage at all . . .", that the people of Shark Bay and other citizens are deeply concerned that the Government has agreed that further consideration be given to World Heritage listing for Shark Bay, and

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

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

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

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

[See petition No 7.]

PETITION

Insurance

MRS BUCHANAN (Pilbara) [2.39 pm]: I have a petition addressed in the usual way, which reads -

To the Honourable the Speaker and Members of the Legislative Assembly in Parliament assembled.

We the undersigned residents of the North West of Western Australia pray that the Government of Western Australia acknowledge:

1. The residents of our community have experienced rip-offs by some insurance companies and their salesmen by misrepresentations on their regular premium investment and other life insurance products.
2. The front end charges on these regular premium types of investment/life insurance products are excessive which are often hard to detect in the policy document.

3. These excessive charges would take many years of continuous contributions regularly for the investor to break even in nominal term and not C.P.I. adjusted value.

Opposition members: We can't hear.

Mr MacKinnon: The member's petition is about prices and premium charges in the Pilbara.

Mr Pearce: While the Leader of the Opposition is giving Press statements on law and order, the Premier is out patrolling the streets.

Mr Cash: It is a bad state of affairs when the Premier has to go out and catch criminals.

The SPEAKER: That was not terribly disorderly, but it had the potential to be so. There cannot have been many people here who did not hear me when I called, "Order!". A few chose to ignore it. Please do not ignore it again; it is very bad manners.

Mrs BUCHANAN: I will continue reading the petition -

4. If the investor does not realise that he or she has been sold the wrong type of investment product within the 14-day cool off period, he or she is often coerced by the seller to continue payments for a minimum of two years which he or she may then get back only a small portion of the total payments, or lose all contributions if payments are stopped under the two-year obligations.

We, the petitioners, therefore pray that you will give earnest consideration to conduct a public inquiry to find out the magnitude of rip-offs by insurance companies and their salesmen who sell these types of regular premium insurance products and to consider the passing of legislation to change the Insurance Act.

Your petitioners, as in duty bound, will ever pray.

The petition bears 397 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 8.]

PETITION

Criminal Liability

MR HOUSE (Katanning-Roe) [2.42 pm]: I have a petition addressed to the Honourable Speaker and members of the Legislative Assembly of the Parliament of Western Australia assembled. It reads as follows -

We, the undersigned, request the Parliament to enact legislation to enforce the following:

- (1) Individuals who are convicted of a crime to bear a much greater responsibility for their own actions.
- (2) Where a child is convicted the court be empowered to hold the parents wholly or partly responsible for the crime.
- (3) If convicted, the court be empowered to impose on the parents a fine or community service order as well as an order for restoration of damages.

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

The petition bears 500 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 9.]

PETITION

Pornography - Sex Shops

MR CRANE (Moore) [2.43 pm]: I have a petition which is couched in similar terms to two petitions presented yesterday. It is a petition to ban the operation of sex shops and adult video bookshops within shopping centres.

The petition bears 18 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 10.]

A similar petition was presented by Mrs Beggs (Minister for Housing) (301 signatures).

[See petition No 14.]

PETITION

Fishery Agreements

MR HOUSE (Katanning-Roe) [2.44 pm]: I have a petition addressed to the Honourable Speaker and Members of the Legislative Assembly of the Parliament of Western Australia -

We, the undersigned, request the Parliament not to allow the Minister for Fisheries to extend the rights of professional fishermen, nor extend the access of professional fishermen, to the rivers, streams and estuaries of the south west land division of Western Australia. Further, we request the Parliament to legislate to maintain those same rivers, streams and estuaries in the south west land division for the use of amateur fishermen only.

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

The petition bears 506 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 11.]

PETITION

Police Stations

MR MACKINNON (Murdoch - Leader of the Opposition) [2.45 pm]: I have a petition to present to the Parliament couched in these terms -

To the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia assembled, your humble petitioners sheweth -

- (1) The residents of Balga, Ballajura, Girrawheen, Koondoola and Mirrabooka are disadvantaged by the lack of a fully manned police station in the district.
- (2) There has been a serious increase in the crime rate in the area.
- (3) The staff at the Nollamara Police Station, the nearest existing station, has been reduced to one quarter of its previous strength.
- (4) The police response time to call-outs in the area is dangerously slow because of overworking of current staff.
- (5) Therefore, your petitioners request immediate intervention by the State Government to open a police station to service the people of the above-mentioned localities.

As in duty bound your petitioners will ever pray.

The petition bears 4 656 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 12.]

PETITION

Roads - Great Eastern Highway

MR TROY (Mundaring - Minister for Labour) [2.46 pm]: I have a petition addressed to the Honourable Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled, which reads as follows -

We, the undersigned citizens of Australia, respectfully sheweth that -

- (1) There be a total upgrading of Great Eastern Highway, Sawyers Valley, and
- (2) a 60 kilometre speed limit through the town imposed.

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

The petition bears 515 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 13.]

SITTINGS OF THE HOUSE

Days and Hours

MR PEARCE (Armada - Leader of the House) [2.51 pm]: I move -

That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays at 2.15 pm, on Wednesdays at 2.15 pm, and on Thursdays at 10.45 am and shall sit until 6.00 pm, if necessary and, if requisite, from 7.15 pm onwards.

MR COURT (Nedlands - Deputy Leader of the Opposition) [2.52 pm]: At this stage I wish to make one comment. You, Mr Speaker, are aware that for approximately six months we have been trying to negotiate some sort of change to the format of question time. We put forward three proposals. One was that question time be brought forward to the beginning of the day.

The SPEAKER: Order! I am not sure that this is the appropriate time to be debating this subject. I cannot see how it fits into this motion at all. The Deputy Leader of the Opposition might be clever enough to show me that it is relevant. If he is, he can continue. If he is not, he cannot.

Mr COURT: With due respect, we are discussing the hours for which the House will be meeting. I will be very brief. The point I wanted to make was the time within those hours -

The SPEAKER: Order! I do not think that has anything to do with this motion. I do not think it is the appropriate time for the member to be raising that.

Question put and passed.

GOVERNMENT BUSINESS

Precedence: Tuesdays and Thursdays

MR PEARCE (Armada - Leader of the House) [2.54 pm]: I move -

That on Tuesdays and Thursdays, Government business shall take precedence of all motions and orders of the day.

MR COURT (Nedlands - Deputy Leader of the Opposition) [2.55 pm]: Mr Speaker, is this an appropriate motion for me to discuss the format of question time?

The SPEAKER: It seems that the member intends to, anyway, so I will draw the long bow.

Mr COURT: I will be brief. We raised three changes to the format that we wanted. The first was that question time be brought forward to the beginning of the day's sitting, the second was that it be extended to 45 minutes and the third was that the televising of question time be allowed. I suppose I have put a little pressure on the Leader of the House to try to get a decision from the Government because you, Mr Speaker, said to me that you would be prepared to consider some changes if there was agreement from both sides of the House.

It is unfortunate that we have not been able to reach such an agreement. I was notified by the Leader of the House that the Government did not want a change to the format of question time. I believe that is a backward step, because things have changed. The media have different requirements. I would like to think that perhaps at some time in the future the Government would reconsider changes to the operation of questions without notice to make them a more effective part of the running of this House. I believe that would very much bring the operations of this House closer to the people.

MR PEARCE (Armadale - Leader of the House) [2.56 pm]: It is the case that the Opposition put those proposals to the Government, which gave serious consideration to them. As a general principle, the last year of the term of a Government is not the time to introduce changes of a major nature to question time.

The Government decided - most impartial observers agree - that, because the Opposition cannot cope with 30 minutes of question time it would do the Opposition and passers-by a favour by not dragging out any longer what is an unfortunate time for the Opposition. I have given the Opposition an undertaking that a reasonable number of questions will be dealt with at each question time. I think that will be satisfactory. After two or three weeks of the parliamentary session, I will be prepared to discuss with the Deputy Leader of the Opposition and the Leader of the National Party the way in which question time operates to ensure that private members will have the opportunity to ask the number of questions that will enable question time to work properly.

The Government was not prepared to allow the televising of question time for this year. With question time concluding at 6.00 pm, I understand that its televising was not attractive to the electronic media.

I wish to say two things about changing the hours of question time. The first is that Ministers have already scheduled themselves for the months ahead on the understanding that question time would be at 5.30 pm, as it always has been. It is difficult enough to assemble the complete Ministry for the Parliament at any given time.

Mr Hassell: It started early when you and I came to this place. It was the first item of business.

Mr PEARCE: Yes, but that was in the days of no delivery of questions. At that time, instead of members placing questions on notice, they would stand and ask them. Every question for the day was on the Notice Paper and, as at that time I was a member of the Opposition, I can remember that I would have to stand and read out the questions. I thought that I always read them remarkably well, but Ministers would stand and mumble and misread. The former Minister for Labour and Industry, the member for South Perth, would read out the wrong answer. On one occasion he actually replied to the wrong Bill. When it came to his recent preselection for South Perth, the member for Mt Lawley thought he was the wrong Bill.

In those days questions without notice quite naturally were asked at the conclusion of questions on notice. Members always had the answers that they would receive to questions on notice, so they could proceed to questions without notice. When the arrangement to have only questions without notice was entered into, it was on the basis that written answers would be given to questions on notice and there would not be the parliamentary charade of asking and answering them in the House. Members would have the opportunity to see their answers to questions on notice and then ask questions without notice. A check was made and it was found to be simply not possible to deliver answers to questions on notice before 2.15 pm so that members could then proceed to questions without notice. I do not rule out that these changes may occur in the future, but those are the difficulties that the Government faced.

Mr Clarko: Questions without notice depend on the answers to questions on notice.

Mr PEARCE: That used to be the case.

Mr Clarko: The committee of which I was a member changed that archaic process.

Mr PEARCE: I know that. I congratulate the member on that. I am sticking with those changes.

Mr Clarko: You have reduced the time from 45 to 30 minutes.

Mr PEARCE: No, we have not.

Mr Clarko: We did not have Dorothy Dixers in the old days.

Mr PEARCE: Except for about a year, the time was always 30 minutes. At the Speaker's discretion it was increased to 45 minutes and then, again at the Speaker's discretion, it was reduced to 30 minutes. The member for Karrinyup's committee agreed that the time for questions without notice should be 30 minutes. The Opposition has complained that the Dorothy Dix style question has been overused in the past to occupy a substantial -

Mr Clarko: From when the Burke Government came in.

Mr PEARCE: The Burke Government is not here any more.

Mr Clarko: We cannot judge this Government yet.

Mr PEARCE: That is exactly right. Guess what we will do? We will stick with question time as it is for a couple of weeks and then a discussion will be held between the Leader of the Opposition, the Leader of the National Party and me about the way in which things are going.

Mr Clarko: If you do not move to 45 minutes, you do not have a fair system.

Mr PEARCE: We will see. That was a remarkable statement from a member who was instrumental, when his party was in Government, in introducing the 30 minute question time.

Mr Clarko: We deleted the reading out of questions.

Mr PEARCE: And settled on 30 minutes for questions without notice. That is the position with regard to question time and the Government is certainly prepared to discuss this matter with the Opposition in a few weeks to make sure that every member is given a fair go.

The SPEAKER: I take this opportunity to advise members that if they care to address themselves to their Standing Orders they will find that questions without notice are completely at my discretion and at nobody else's discretion. The reason that questions without notice are taken for half an hour, at the time they are taken, is because an agreement between both sides of the House was brought to me at the beginning of this Parliament. I intend to stick with that as a ruling unless both sides of the House can agree to some sort of change.

Question put and passed.

PARLIAMENTARY STANDING COMMITTEES

Appointment

On motion by Mr Pearce (Leader of the House), resolved -

That the following members be appointed to sessional committees -

- (1) Library Committee - the Speaker, Mr P.J. Smith, and Mr Reg Tubby.
- (2) Standing Orders Committee - the Speaker, the Chairman of Committees, Mr Thomas, Mr Watt, and Mr Stephens.
- (3) House Committee - the Speaker, Mrs Watkins, Mr Burkett, Mr Williams, and Mr Stephens.
- (4) Printing Committee - the Speaker, Mrs Buchanan, and Mr Maslen.

PARLIAMENTARY SUPERANNUATION FUND

Appointment of Trustee

On motion by Mr Pearce (Leader of the House), resolved -

That the member for Kalamunda (Mr Thompson) be appointed as Trustee of the Parliamentary Superannuation Fund following the resignation of Mr Rushton as a member of the House.

PUBLIC ACCOUNTS AND EXPENDITURE REVIEW COMMITTEE

Appointments

On motion by Mr Pearce (Leader of the House), resolved -

That the member for Canning (Dr Watson) and the member for Subiaco (Dr Lawrence) be discharged from the services of the Public Accounts and Expenditure Review Committee, and the member for Balcatta (Mr Bertram) and the member for Victoria Park (Dr Gallop) be appointed in their place.

LAPSED BILLS*Restoration to Notice Paper*

On motion by Mr Pearce (Leader of the House), resolved -

That under the provisions of Standing Order No 416 the undermentioned Bills be restored to the Notice Paper at the stages which they reached in the previous session of Parliament, namely -

1. Heritage Places (Western Australia) Bill 1987.
2. Acts Amendment (Heritage Council) Bill 1987.

BILLS (5): INTRODUCTION AND FIRST READING

1. Treasurer's Advance Authorization Bill.

2. Gold Banking Corporation Amendment Bill.

Bills introduced, on motions by Mr Peter Dowding (Treasurer), and read a first time.

3. Artificial Breeding of Stock Amendment Bill.

Bill introduced, on motion by Mr Pearce (Leader of the House), and read a first time.

4. Security Agents Amendment Bill.

5. Road Traffic Amendment Bill.

Bills introduced, on motions by Mr Taylor (Minister for Police and Emergency Services), and read a first time.

LAPSED BILLS*Restoration to Notice Paper*

On motion by Mr Cowan (Leader of the National Party), resolved -

That under the provisions of Standing Order No 416 the undermentioned Bills be restored to the Notice Paper at the stages which they reached in the previous session of Parliament, namely -

1. Equal Opportunity Amendment Bill 1987.
2. Hospitals Amendment Bill 1987.
3. Petroleum Retailers Rights and Liabilities Amendment Bill 1987.

STANDING ORDERS COMMITTEE*Report*

On motion by Mr Burkett, resolved -

That consideration of the Report of the Standing Orders Committee laid on the Table of the House on Wednesday 25 November 1987, be made an Order of the Day for the next sitting of the House.

BILLS (4): INTRODUCTION AND FIRST READING

1. Official Corruption Commission Bill.

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

2. Wildlife Conservation Amendment Bill.

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

3. Constitution Amendment Bill.

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

4. Commercial Tenancy (Retail Shops) Agreements Amendment Bill.

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

STANDING ORDERS

Suspension - Notice of Motion No 19

MR HASSELL (Cottesloe) [3.13 pm]: I move -

That so much of Standing Orders be suspended as is necessary to enable Notice of Motion No 19 to be considered immediately.

I understand that the Government has agreed that the suspension of the Standing Orders take place to enable this motion to be debated forthwith. If the Minister will confirm that, there will be no need for me to delay the House by speaking to the motion.

MR PEARCE (Armadale - Leader of the House) [3.14 pm]: The Government has accepted the proposition from the Opposition that Standing Orders should be suspended this afternoon for debate of this issue. It is certainly one that the Government is keen to discuss with the Opposition because we have a few views on it. We also have some exciting documents to produce, so members should stand by as we could be in for a good hour or two.

However, it will not be our practice in the normal course of events to allow the suspension of Standing Orders while the Address-in-Reply is under way because the Address-in-Reply is an opportunity for private members to occupy the time of the Parliament.

Mr MacKinnon: This is a matter of privilege.

Mr PEARCE: I understand that. I am certainly prepared to accept it in this circumstance. The Government has no worry about that. All I am saying, as I have said privately to the Deputy Leader of the Opposition, is that this ought not to be taken as a precedent for the way in which the Government would deal with suspension of Standing Orders motions generally while the Address-in-Reply is under way. It has been our policy to try to accommodate requests of members to suspend Standing Orders where we believe that is necessary. However, I believe it to be less necessary in general terms during the Address-in-Reply because there are so many opportunities available to members. I accept that this is a matter of privilege and an important matter which needs to be discussed now. On that basis, the Government is happy to accommodate the Opposition.

Question put and passed with an absolute majority.

MOTION

Parliament Privilege - Member for Scarborough

MR HASSELL (Cottesloe) [3.16 pm]: I move -

That the Member for Scarborough has by his abusive attack on the Member for Murchison-Eyre and the Leader of the Opposition recorded in *The West Australian* of 2 May 1988, regarding their parliamentary statements to this House on the Brush-Martin affair -

- (1) Breached parliamentary privilege in questioning a right of members to freedom of speech without fear of being questioned "in any court or place out of Parliament" - as provided by the 9th Article of the Bill of Rights of 1688 and Section 1 of the Western Australia Parliamentary Privileges Act 1891.
- (2) Has lost the right to question the action of the member since neither the member nor any other member of the Chamber raised this point when it was first raised in the Chamber over 6 months ago and this indication of insincerity is unbecoming of a member who holds the high office of Chairman of Committees in this House.
- (3) The member is guilty of Contempt of Parliament for threatening to seek the removal of a member from his seat for his actions and speeches in Parliament.
- (4) That such action is intimidating in that it infers that should any member at a future time raise a similar issue that is subsequently cleared by the Court, then that member may be subject to a similar expulsion action against the member.
- (5) The dignity of Parliament has been damaged in that the member is denigrating the Parliament which has such privileges that allow members to raise issues on behalf of their constituents under the protection of Parliament.

- (6) That the member has ignored the warning of previous Speakers of the House to guard against rash statements that impinge on the privileges of the House.

This is a very serious motion because it raises an issue fundamental to Parliament itself and to the activities of members in this place, because whatever may be the differences between the members on that side of the House and the members on this side of the House or between each other on the respective sides of the House, the one thing that we ought to defend is our right to freedom of speech in this place.

Mr Taylor: And not to use it as a coward's castle.

Mr HASSELL: To use it as we see fit. If we are not free to do what others judge to be wrong, we are not free. The essence of this matter is that over a period of a thousand years the Parliaments of our tradition have fought for the right to speak. A king of England, then the head of Government in a very real sense, lost his head over that issue. The sadness of today is that we will have a vote on party lines in which the Government sets a precedent for something that is utterly wrong and against the traditions and principles of this Parliament that goes to the very heart of this institution, and that is the right of members to speak freely.

Let us look at the origin of it because the risk is that we are devaluing something that others have fought to give us. We are devaluing that right of free speech for a short-term political gain if we do not support this motion or some other appropriate reprimand of the member for Scarborough. I do not suggest that this is the only way he might be dealt with in respect of his actions, but I do suggest that if the Government believes he should be exempted from any recognition that he has done wrong, it is abusing Parliament in a very serious way.

Let us look at the origins of our rights in this place. The origins are encapsulated and recorded in a law which applies to this Parliament: The Bill of Rights of 1688. Of course, it is part of the great heritage of our constitutional system and law that the Bill of Rights of 1688 is a law of this State. Bearing in mind that this law was passed at a time when the king in England was challenging the right of that Parliament to speak and when that Parliament was asserting as a united body its right to speak and the right of its members to speak freely, it is recorded in the 9th Article in the Bill of Rights very simply -

That the freedom of speech and debates or proceedings in Parliament ought not to be impeached or questioned in any court or place out of Parliament.

The member for Scarborough has sought to attack that right of free speech by threatening that the member for Murchison-Eyre should be removed from Parliament because of something he said in this place. The member for Scarborough did not propose that the member for Murchison-Eyre be censured or questioned by a Committee of Privilege in relation to anything he did; he proposed that the member be removed from this Parliament. Let us consider the outrageous statement made by the member for Scarborough and reported in the newspaper on 2 May. The report stated that "The Deputy Speaker," - a man who should know better - "Mr Graham Burkett, wants Liberal backbencher, Ross Lightfoot, thrown out of Parliament for his role in the Brush/Martin affair."

Mr Burkett: Wait for the clanger to drop. You don't know what is building up.

Mr HASSELL: The member for Scarborough is a dope; he made a dopey statement to the Press and he now comes to this place and interrupts the debate with stupid statements without listening to the debate and understanding what he clearly did not understand before. The article also stated -

Mr Burkett said last night he would petition the House to question whether the Member for Murchison-Eyre was a fit person to be an MP.

Where is the petition that the member for Scarborough announced to the world he would bring to this House to remove a member who exercised his privilege and right to speak? Where is his proposal that the member for Murchison-Eyre be removed from this House? There is no petition and there is no proposal because the monumental stupidity and absurdity of it was obvious even to his colleagues. The member for Scarborough was left like a shag on a rock with nowhere to go and nothing to offer except a censure motion which questions the privilege of Parliament; a censure motion which is clearly out of order, but that is an argument for another day.

Let us go back to this issue of free speech, which everyone here should cherish because from time to time we need to raise things in the House which cannot be proved in courts of law. From time to time public issues must be debated in Parliament because that is the proper place in which to do it. Mr Pettifer, in his book *House of Representatives Practice*, said of the parliamentary privilege of freedom of speech -

The privilege has been variously described as a privilege essential to every free council or legislature, as one which has always been regarded as most valuable and most essential, as the only privilege of substance enjoyed by Members of Parliament, and as one of the most cherished of all parliamentary members, without which -

These are critical words -

Parliaments probably would degenerate into polite but ineffectual debating societies.

Let us go to the heart of this issue by asking the questions: What if the member for Murchison-Eyre had not raised in this House the conduct of Mr Brush and Mr Martin? What if no member had raised it because Brush or Martin might have been charged and been prejudiced in their trial? Would this State have been better off? Would this Parliament have functioned correctly? Would the duty of members have been fulfilled? The answer to each one of those questions is no, and the members of the Government know it. The members of the Government know full well that the Brush-Martin affair was the quintessential classic case of the proper use of parliamentary privilege; where a grave matter of public concern was brought to the attention of the public through the privilege of this Parliament. To attack that action is to attack the Parliament itself, and the member for Scarborough should hang his head in shame for what he said because his actions were so clearly wrong. The member for Murchison-Eyre brought to this Parliament the fact that a man appointed by the Government to a very high office - it is high in the sense of being important and in the sense of its responsibility - in which he dealt with hundreds of millions of dollars of trust money, was doing private deals with a developer directly and then currently involved in the negotiations with the State Superannuation Board of which he was the chairman. That is the fact raised by the member for Murchison-Eyre in this place. A police investigation subsequently took place because the member for Murchison-Eyre took the matter to the police.

Mr Burkett: That was two months after he first found out about it.

Mr HASSELL: He took the matter to the police, who investigated it and reached the judgment that criminal charges should be laid. There was then a preliminary hearing, which resulted in a decision by a court of law that Mr Brush and Mr Martin should be sent for trial. They were tried, and it was admitted during the course of that trial that a substantial sum of money had changed hands. The defendants admitted they lied to the police and to the public. One of the defendants, Mr Brush, who formerly was Chairman of the State Superannuation Board, admitted having lied and having forged and uttered a document relating to his previous financial dealings with a man with whom he was dealing on a development in an amount of hundreds of millions of dollars. Counsel for that defendant made an application for the case to be dismissed on the grounds that there was no case to answer. However, the judge, after due consideration, said the case would not be dismissed because a jury, properly directed, could convict on those charges. In the event that happened and the jury did not convict; it found the defendants not guilty of the charges.

There was not anything in that course of action which would in any way undermine the proposition that it was right, proper, appropriate and entirely consistent with the proper exercise of parliamentary privilege for the matter to be brought to this House. The response of the member for Scarborough was to threaten to seek to have the member for Murchison-Eyre removed from the Parliament - although he was not so accurate as to say "removed"; he said "thrown out". The member may have meant physically thrown out. The member for Scarborough wanted to question whether the member for Murchison-Eyre was fit and proper to be in this House because he had raised in this House this critical matter of public importance.

It has been reported - and this has not been denied - that not only was Mr Brush engaged in financial dealings with Mr Martin; he was also engaged in financial dealings with Mr Connell. I refer to *The Sydney Morning Herald* of Monday, 7 March, which says -

A company controlled by the Perth businessman Mr Laurie Connell lent \$30,000 to the head of the WA State Superannuation Board at a time when Mr Connell was involved in multi-million dollar negotiations with the board.

The next paragraph says -

The loan came to light last year during police investigations into corruption allegations against the board's then chairman, Len Brush, which resulted in Brush and a WA developer, Robert Martin, being charged in April 1986.

Western Australian police interviewed Mr Connell and Mr Peter Lucas, one of his partners in the business consultancy firm L.R. Connell and Partners, about the loan earlier last year.

Mr Lucas approved the loan by the firm to Brush, who is a former advisor to the recently retired WA Premier, Mr Burke.

The passage goes on, but the next sentence is critical -

It is understood that police have decided not to make any further inquiries into the matter, at least until after the Brush - Martin case has been heard.

This man Brush, a friend of the former Premier, was interposed by the former Premier between the then members of the State Superannuation Board and himself as Treasurer in 1983 and 1984, and was subsequently appointed as chairman of the board. Mr Brush was doing deals not only with Martin but also with another developer with whom the State Superannuation Board, which he headed, was conducting business - \$30 000-worth of business. We could ask whether Mr Brush's salary at the time was \$60 000, \$70 000 or \$80 000. Mr Brush was in a position of trust, and he had been rocketed to the top in a very important field of Government activity on behalf of thousands of employees of the Government of this State.

Mr Pearce: After your last round of allegations, he was found by the court to be not guilty.

Mr HASSELL: I ask the Minister whether he is able to distinguish between questions of criminal law and questions of propriety.

Mr Pearce: Of course I am.

Mr HASSELL: Then is the Minister suggesting that Mr Brush's actions were proper?

Mr Pearce: Last year you said they were illegal, and I said that Mr Brush had not acted very wisely.

Mr HASSELL: Listen to the Minister leaping to the defence of Mr Brush when I am talking, as we have always talked in this House when you, Mr Speaker, have allowed us, because you stopped us on a number of occasions by upholding the ruling, which was voluntarily made by Parliament, that members should restrict themselves in a parliamentary debate in cases where a proceeding might be affected by that debate. We were on numerous occasions denied the opportunity to debate the issues of propriety and the conduct of Mr Brush and his confederates because he had been charged with criminal offences. Today is the first day in 18 months that we are free to debate the issue of the propriety of Mr Brush's conduct since he was charged, yet the issue that was raised by the member for Murchison-Eyre, and for which the member for Scarborough seeks to have him thrown out of Parliament, was the propriety of Mr Brush's conduct and the adequacy of the Government's method of appointing people and its supervision of those people.

We have said many times - and rightly so - that the responsibility for the State Superannuation Board rests with the Treasurer. The former Treasurer, Mr Brian Burke, set out deliberately to appoint his mate, Mr Brush, to that position of trust. Mr Brush breached that trust and acted shamefully and dishonourably. The member for Murchison-Eyre properly raised that issue in this House. The member for Scarborough, not being prepared to raise the issue at the time and not being prepared to stand on his feet to raise a point of privilege when the member for Murchison-Eyre said his words in this House, comes along months afterwards, as a political opportunist, and seeks to get himself some cheap publicity at the expense of the member for Murchison-Eyre to further his faltering claims to retain the seat of Scarborough.

That is what this incompetent Chairman of Committees was doing, this man who cannot work out the basic rules of this House, or its procedures. He has tried to jump on the bandwagon by raising an issue related to the removal of the member for Murchison-Eyre, so it is interesting that, having raised that issue, there was then a remarkable silence. There was no follow up, and there were no petitions circulated that members of this House have seen.

Mr Burkett: Thank you for that. The member does not know, nor did he know when he drafted his Notice of Motion, so for a clever lawyer that is his first fault, but carry on.

Mr HASSELL: The member for Scarborough seems to have difficulty conducting himself properly during this debate. The fact is that he is not in the Chair, so it is not his place to tell me to carry on, or to do otherwise; it is your place to do that, Mr Speaker, and I am sure that you will fulfil that obligation.

The Government cannot escape the fact that the fundamental issue here is that the Government will be attacking freedom of speech in this House and this institution if it backs up the member on this motion. It will also be attacking and weakening the traditions of this institution.

I return to the point that I was making previously, that the member for Scarborough seeks to have the member for Murchison-Eyre thrown out of this House on the ground that he is not a fit and proper person, yet what that member did was totally consistent with his duty as a member of this Parliament, and was in the public interest.

If members opposite wish to continue defending the conduct of Mr Brush, and if they wish to do what the Leader of the House just did and leap in and defend a man who was doing deals as Chairman of the State Superannuation Board with Mr Martin while at the same time borrowing - if "borrowing" is the word - \$150 000 from him, and who borrowed \$30 000 while he was doing deals with Mr Connell, by all means they should defend him. The Minister, members opposite and, in fact, the Government, continue to defend Mr Brush.

The new Premier jumped onto television beating his breast about Mr Brush, yet not once has he defended the public interest or talked about the hundreds of millions of dollars involved, or the trust that Mr Brush abused. Not once has the Premier and Treasurer talked about State Superannuation Board losses on the Anchorage deal. What happened to the Anchorage deal? It sank without a trace. All that is left is a liability; in fact, Mr Brush has left the State Superannuation Board a series of liabilities.

Mr Peter Dowding: That is a nonsense, and the member knows it!

Mr HASSELL: It is not a nonsense, and I stand by that statement. What Mr Brush has left the State Superannuation Board is a series of liabilities. That board, and its funds, have been diminished as a result of Mr Brush's activities. Mr Martin has been enriched as a result of the activities of Mr Brush and a million dollar payment was admitted which was not disputed.

Mr Peter Dowding: There was legal advice that it ought to be paid.

Mr HASSELL: That is interesting. Who made the deal? Mr Brush, of course.

Mr Peter Dowding: The board.

Mr HASSELL: The Premier knows very well, if he has made the slightest inquiry, which I can assure him we have done, that the major deals made by the Superannuation Board during the term of Mr Brush were made before the board saw them because Mr Brush operated on his own - make no mistake about that.

I return to the essential and inescapable point that the member for Scarborough has breached the privilege of this Parliament by attacking the member for Murchison-Eyre for doing his job, his public duty, and because he took a matter to the police that led to charges being laid and a court trial. Does the member for Scarborough suggest that people should not be charged with offences because some people so charged have not been convicted? Does he suggest that the member for Murchison-Eyre was not in every way entitled to raise these matters? Does the member for Scarborough intend defending the conduct of Mr Brush, and does he suggest that that conduct should not have been raised in this Parliament?

Why does the member for Scarborough not answer these simple questions? It is clearly on the record for all to see that the member for Scarborough has made a fool of himself, that he

attempted to get some cheap publicity, and that he does not have the backing of his own party, which is not doing what he said it would do, so he was operating on his own. To get himself off the hook he cooked up this censure motion, which was the best that he could do, because when he went to Caucus and to the Attorney General they said to him, "You are a dope." And that, Mr Speaker is exactly what he is; he is a dope who could not work out the simple rules of this House and the most fundamental of all, which ought to be second nature to him, that for the sake of our community and our society - not for us personally - we must uphold in this place the absolute privilege of freedom of speech as it is written in the Bill of Rights of 1688, in the Parliamentary Privileges Act of this Parliament and in the Criminal Code of this Parliament.

On every sign, the law enshrines a thousand years of history during which our predecessors and previous Parliaments have fought to establish and maintain this privilege of freedom of speech so that issues of the nature of those raised by the member for Murchison-Eyre could be raised in the Parliament when they could not perhaps be raised anywhere else.

Mr Pearce: What a hypocrite you are to talk about freedom of speech and assembly.

Mr HASSELL: I hope that we will soon have an opportunity to vote as Premier for the Minister who just spoke, because we would love that. He knows how much we would like to vote for him, because he is such an asset to us. I also hope that the Premier continues defending Mr and Mrs Brush, Mr Martin, Mr Connell and all the people who have been engaged in these deals which are undermining the integrity of Government in this State. If members opposite continue defending these people, our future on the other side of this House is assured.

Mr CASH: I formally second the motion.

MR PEARCE (Armadale - Leader of the House) [3.51 pm]: I am not surprised that there is not a lot of enthusiasm on the other side to back up the member for Cottesloe's speech. Let me summarise what the member for Cottesloe is saying about members of this House. He is saying that members of Parliament can say anything they like inside the House, but they cannot say what they like in *The West Australian*. He is putting forward his argument in support of scurrilous and reprehensible statements made by the member for Murchison-Eyre in this place. He says that another member of this House, the member for Scarborough, cannot comment on those things in the pages of *The West Australian*.

There is a big difference between making a statement in this House and making a statement in *The West Australian*. In this House nothing can happen to a member except as a result of the action of other members. If a member wants to say something in *The West Australian* he can be sued. Any member of the public has a right of recourse through normal legal process. If the member for Murchison-Eyre felt put upon, maligned or slandered by anything the member for Scarborough had to say about him in *The West Australian*, he could have sued in any court. Of course he did not, because the chances of his being able to maintain any kind of case against the comments of the member for Scarborough would have been pretty slim.

This is a case of a member making a statement in this House exercising the great freedoms which the member for Cottesloe mentioned in his rhetoric, but never defended when he was Minister for Police and Emergency Services. As I pointed out, no greater threat has been made to the freedom of speech of Western Australians than section 54B of the Police Act for which the member for Cottesloe was responsible.

Mr MacKinnon: What has that to do with it?

Mr PEARCE: He was talking about freedom of speech. The member opposite should remember that people other than members of Parliament have or should have freedom of speech in this community.

To return to the extra privileges which members of Parliament have with regard to the freedom of speech in this House, they can say anything about anybody, no matter how untrue or how unscrupulous because our predecessors have determined that if members do not have that power, unfortunate and evil things can happen in a community.

At the same time our predecessors had it in their minds that if members were given untrammelled power in the Parliament, they would and should use it responsibly; and if they did not use it responsibly, it ought to be the role of the other members of Parliament to

ensure that some action was taken on those members who abused their undoubted rights and privileges. There is no doubt that the member for Murchison-Eyre fits very neatly into the category of those who abuse the powers of the Parliament.

I am as great a supporter of the Magna Carta or the Bill of Rights as any member of this House, but at the same time I am ashamed for those who put those great documents together when I hear the member for Murchison-Eyre in action. The framers of Magna Carta and of the Bill of Rights never intended that somebody like the member for Murchison-Eyre would use the Parliament as a way of slandering honest citizens.

Coming back to the various debates in this place last year, with regard to the allegations around Mr Martin and Mr Brush, a range of things were said, but the most forthright of many predictions was made by my good self when I predicted very accurately the outcome of the sequence of events before any charges were laid against Mr Brush or Mr Martin. I predicted that those charges would be laid, and that although Mr Brush would appear before a court, he would not be convicted. That has turned out to be absolutely the case.

Mr Thompson: Clearly you conceded it was reasonable that he should be charged.

Mr PEARCE: I did not, because the reason I gave for his being charged was the same as that I gave for his not being convicted. There was never a reasonable case against Mr Brush, but I said the reason he would be charged was that the Opposition kept raising these matters in the Parliament last year in order to bring about the political circumstances where charges would have to be laid. And that is precisely what happened.

Mr Thompson: If that is the case, why did the lower court commit him for trial?

Mr PEARCE: As a result of the weakness of the charges he was not convicted, which is precisely what I predicted in the Parliament last year.

Mr Lightfoot: You are saying it was a political trial.

Mr PEARCE: I am saying the member opposite followed a deliberate course of action by making untrue allegations using his parliamentary privilege in a disgraceful way to ensure that charges were laid. At the same time -

Several members interjected.

The SPEAKER: Order!

Mr PEARCE: Here we go! It is a full moon on Friday; I am not at all surprised.

At the same time as I was saying that Mr Brush would not be convicted, the member was comporting himself in the House as if he had already been convicted. He was saying things which were quite disgraceful.

When Mr Brush was found not guilty of all charges, the member for Murchison-Eyre must have felt there was egg all over his face. The effort being made in the Parliament today is to scrape off some of that egg. I do not know why his colleagues are bothering. His party is smart enough not to give him another preselection, so his parliamentary career is in its last months. If I were they I would probably cut him loose and let him drown by himself rather than drag down many of his senior colleagues with him.

Mr Lightfoot: I hear many of your colleagues would like to cut you loose, especially from education.

Mr PEARCE: They can do it. It might be said they already have, if members want to take that point of view. Before the end of the last session I said that with the reshuffle I expected Dr Lawrence to take over the education portfolio, and she has done an extremely good job.

Mr Lightfoot: She has come up from a very low base.

Mr PEARCE: Possibly, but I came from an even lower base when I took over the portfolio from members opposite.

No matter how they try to sidetrack this debate, we will not be deterred from examining the member's role in the Brush-Martin affair. The one thing which he had to hang his hat on was the possibility that Mr Brush might be convicted. Let us look at some of his quotes in the House, because they are important and interesting.

On 1 April he said -

We have evidence today of a fraudulent dealing involving the Brushes, Melampus, Mr Martin . . .

Fraudulent dealing is what the member spoke about on 1 April.

Several members interjected.

Mr PEARCE: Is fraud a criminal offence or is it not? If the member does not know, fraud is a criminal offence. The member for Cottesloe tried to draw a line between criminal offences and impropriety. He seemed to be saying that if Mr Brush is not guilty of a criminal offence, there was some impropriety in what he had done. On 1 April the member for Murchison-Eyre said he was guilty of a criminal offence. That is not true, as the courts found. The statement made by the member for Murchison-Eyre is untrue, and the untruthfulness of that statement has been demonstrated by the courts. The untruthfulness makes a disgraceful aspect of the way in which the member for Murchison-Eyre sought to prejudge the result of a trial which at that stage had not even been set in motion.

On the same day and in the same speech the member for Murchison-Eyre said this -

. . . no matter how the Government stalls, carries on, tries to camouflage the facts and allows the poor Brush people . . . knowing full well that they have committed some serious offence . . .

The Government did not know full well that they had committed some serious offence. The Government did not believe that they had committed a serious offence, but the Government was prepared to let the police determine whether a serious offence had been committed, and if necessary ultimately the courts. That is the course of action which was followed.

The Government accepted Mr Brush's resignation not long after this as a result of pressure brought to bear on him by the Opposition, but not through any pressure of the Government. We were of the view that if a man is to be found guilty he should be found guilty by the proper process, and Parliament, with the member for Murchison-Eyre as the lead prosecutor, is not the proper process. What happened was that the member for Murchison-Eyre made allegations which he could not prove and which ultimately were proved to be untrue, using the forum of the Parliament to say things which he could not have said outside Parliament without subjecting himself to the legal processes of the land.

When Mr Brush was found not guilty that was a real demonstration of the lack of truth and integrity in the things the member for Murchison-Eyre had to say in this House. I am not surprised that his colleagues are now seeking to turn the heat onto a Government member - the member for Scarborough - in order to relieve the pressure they must feel with regard to the member for Murchison-Eyre on this matter.

Let me deal briefly with the attack made on the member for Scarborough. This is what he said in the Press. He said that in his view the member for Murchison-Eyre, in his misuse of the privileges of the Parliament and his abuse of parliamentary privilege, was not fit to be a member of the Parliament, and I must say that that is a judgment which I share and which I believe is shared by many members on this side of the House and by not a few members on the other side. We believe it is an accurate view which the member for Scarborough has taken. It is quite a proper judgment for him to make and I admire his integrity in making that judgment known publicly through the pages of *The West Australian* in a way in which he could be sued and brought before a court, whereas the member for Murchison-Eyre did not have the internal fortitude or the belief in the rightness of his own position to do so. We stand right beside the member for Scarborough in the comments he made about the member for Murchison-Eyre. He is not fit to be a member of the Parliament, and the member for Scarborough also thought that if members of Parliament were doing their duty they would take action against the member for Murchison-Eyre because of his views of parliamentary privilege. He said at the time that he thought action could extend to the point where the other members of the Parliament took action to expel the member for Murchison-Eyre, and thus remove from the Parliament the greatest blot upon the integrity of this institution.

That is a harsh judgment to make and, again, it is one that many might have made. The member might have noticed that when the Parliament resumed the member for Scarborough moved to censure the member rather than moving for his expulsion, so many of the claims

made by the member for Cottesloe in that regard are not well based. But I just cannot understand the kind of hypocrisy that is involved in the claim that the member for Murchison-Eyre, because he is a member of Parliament, can say what he likes against innocent people who are not members of Parliament but the member for Scarborough, who is also a member of Parliament, cannot say what he likes. If there is to be freedom of speech for the member for Murchison-Eyre, there is to be freedom of speech for the member for Scarborough. The House is entitled to make its judgments upon both of those things.

Mr Hassell: You are not allowed to threaten other members, even within the Parliament.

Mr PEARCE: I have been threatened by other members within the Parliament. I have had one of the member for Cottesloe's colleagues in the Ministry asking me to step outside to discuss certain matters.

Mr Court: Do not talk about that because we have a person who was intimidatory in this House last year.

Mr PEARCE: I am just telling the Deputy Leader of the Opposition that I was threatened with assault in this House while sitting where the member for Avon is now sitting - in that very seat. I had to stand up to ward off an assault in that very seat. Members opposite should not tell me those things have not occurred in the past. What I am saying is that for the member for Scarborough to say that in his view the member for Murchison-Eyre should be expelled from the House is only to say that the House, if it wanted, could take that action; in fact, that is quite possible.

Mr Hassell: That is an amazing explanation.

Mr PEARCE: Any member can come in here and move any motion he wants. The member for Scarborough might have moved to expel the member for Murchison-Eyre. He might well have had a lot of support then. But in fact the member has moved a motion of censure against the member for Murchison-Eyre.

Mr Hassell: Why don't you move to expel the member for Murchison-Eyre?

Mr PEARCE: Because we are not proposing to do that.

Mr Hassell: Exactly - because you do not support the member for Scarborough. That is clear.

Mr PEARCE: What is the point of the Government's moving that motion, when the Opposition has already made that decision? The only difference is one of timing.

Mr Hassell: He is such a clown that when he said he would expel the member the Government would not back him.

Mr PEARCE: If the member was proposing to put the member for Murchison-Eyre out of the Parliament in March or April, the Opposition is proposing to put him out next February. The House ought to make a judgment on the comments by the member for Murchison-Eyre, and I propose to give the House that opportunity in just a moment. I will just revise for the memories of members the sequence of events which led to the claims that were made by the member for Murchison-Eyre in the Parliament, and outside, because the activities of the member for Murchison-Eyre started well before the parliamentary session that discussed these matters.

It all started when he received a statutory declaration from a gentleman called Aslan. Mr Aslan, members will recall, was a sacked employee of Mr Martin and bore him a grudge. As a result of that he made a statutory declaration alleging certain things against Mr Martin which also happened to involve Mr Brush. The member for Murchison-Eyre touted this statutory declaration around. In typical style he did not start with the police, he started with journalists. It is well known that the member for Murchison-Eyre touted that statutory declaration around a range of journalists attached to claims of very substantial rumours including criminal activity by members of this House. These were the kind of things the member for Murchison-Eyre was saying to journalists about members of the Government - members of this House. He was saying that they had accepted bribes.

Mr Lightfoot: I was not the only one saying it - assuming I said it. They are saying it in the east. They are saying this is the most corrupt Government in Australia.

Mr PEARCE: Did the member for Murchison-Eyre say that members of the Government had accepted bribes, or not?

Mr Lightfoot: I certainly don't recall saying that.

Mr PEARCE: "I don't recall"! Is not that the last resort of cowards - a faulty memory?

Mr Lightfoot: I was not cross-examined by a halfwit like you.

The SPEAKER: Order!

Mr PEARCE: If the member is being cross-examined by a halfwit he might have half a chance to answer the questions, but he is not doing very well so far. He alleged that members of the Government had placed pressure on the police; he alleged that members of the Government were about to be interviewed by the police, and on some occasions that they were about to be arrested by the police.

Mr Lightfoot: Who was about to be arrested?

Mr PEARCE: On one occasion the member for Murchison-Eyre claimed that the Premier was to be interviewed by the police on these matters.

Mr MacKinnon: Was he interviewed?

Mr PEARCE: No, he was not.

Mr MacKinnon: Are you sure?

Mr PEARCE: Absolutely.

Mr MacKinnon: How can you be sure?

Mr PEARCE: Because we are talking about a time before these matters were discussed in the Parliament and before charges were laid against Mr Martin or Mr Brush. The member for Murchison-Eyre finally went to see Mr Aslan in Queensland in February 1987. Does he recall that?

Mr Lightfoot: I am not going to tell you what I recall.

Mr PEARCE: Does the member recall using his imprecise account to get there?

Mr Lightfoot: I recall several journalists saying that this Government, of which you are a member, is the most corrupt in Australia.

Mr PEARCE: Which journalist said that?

Mr Lightfoot: Have you seen those journalists and those papers? That is a reflection on you. There are far more important things than what you are saying. Have you responded to those journalists who said that this Government - that is, the Dowding Government, and before that the Burke Government - is the most corrupt in Australia?

Mr PEARCE: My understanding is that, as the Minister for Regional Development says, Senator Stone said that, and I have never seen a faster issuance of apology except for those which issue forth from the Leader of the Opposition.

Mr Lightfoot: Have you sued Senator Stone for saying that?

Mr PEARCE: He was sued for saying that, and the minute the writ hit his desk he was sending out letters of apology faster than a computer print-out.

Mr Lightfoot: If you sued him we assume you accept it is true.

The SPEAKER: Order!

Mr Lightfoot: Did you sue him?

Mr PEARCE: Yes, for heaven's sake. How many times do I have to say it? The writs were issued against Senator Stone, I understand, by the present Premier and the former Premier. He did not even bother to consult his lawyers, or if he did, only briefly. Senator Stone then furiously sent out letters of apology for saying those things to all and sundry publicly - some of them were published in the newspapers - because he was so scared of having to defend those claims in the court. My understanding is that the writs have not been withdrawn at this stage, so they may well go to the court in that case. But Senator Stone was not prepared to defend them in any place where he might be questioned about what he had to say.

We are not talking about Senator Stone and we are not talking about journalists. We are talking about the member for Murchison-Eyre and the sorts of things he has said in this House. The simple fact is that the member for Murchison-Eyre came into this House last year and alleged fraud, alleged crimes, and alleged all sorts of disgraceful things. The member for Murchison-Eyre was prepared to name citizens who, as a result, finished up before the courts and were found not guilty. Neither the member for Murchison-Eyre nor the Leader of the Opposition was prepared to apologise for that.

Mr Lightfoot: There was a case to be answered.

Mr PEARCE: The Leader of the Opposition told all and sundry that he would apologise to the Brush family if Mr Brush were to be found not guilty. He was found not guilty but there was no apology. Then the Opposition had to wriggle and squirm to try to find a way to raise this matter once again. The Opposition's whole political strategy last year was based on the proposition that it had to get convicted someone who was close to the Burke Government and particularly close to the Premier. Mr Brush was picked for this role and unfortunately the courts of this land -

Mr Lightfoot: Are you saying he resigned prematurely because of that?

Mr PEARCE: Of course he did. Mr Brush resigned because -

Mr Lightfoot: I am talking about the former Premier, you halfwit.

Mr PEARCE: I am talking about Mr Brush; the Premier did not resign because of it.

Mr Burkett: When the Premier took office he said he would hold this job for five years.

Mr PEARCE: The Premier resigned according to the timetable he had set himself. Members of the Government knew a year before that the former Premier was going to resign. There was no secret about it on our side of the House.

Mr Court: That is different to what he said in this House last year.

Mr Peter Dowding: How can you seriously suggest that?

Mr Clarko: We are just saying to people -

Mr Peter Dowding: No, you are not. You are in a forum where you are being noticed and listened to. How can you seriously peddle that sort of nonsense? You do not even believe it yourself.

Mr Clarko: Are you called "bobby"? How did you get on to page 1 of the paper this morning like that? I bet the kid was only three.

Mr PEARCE: Here we are - this is the next spokesman for police for the Opposition. Here is law and order - do not bother to track down criminals. The view of the member for Karrinyup is that kids should be allowed to steal cars. I think the action of the Premier is a real indication to the citizens of this State of how that kind of behaviour should be stamped out. That is, everyone should take their responsibilities as citizens seriously.

The member for Murchison-Eyre has made disgraceful statements in this Parliament about innocent citizens. He sought to prejudge the results of trials which at that stage were not even established by the comments he made. He sought to use the undoubted rights and privileges of a member of Parliament against people who do not have those privileges and who do not have the opportunity to defend themselves in this place. When harsh judgments were made because of those actions, he did what he always does - he squealed. I have said before that the member for Murchison-Eyre has the thinnest skin of any member of this Parliament. He lives in a glass house and he carries great big rocks around with him, and every time he hears the tinkle of shattered glass - because he gets back a little bit of what he puts out - he squeals like a stuck pig. He is in many ways the most disgraceful member of this House, and he has lowered the reputation of this House quite substantially during his short occupation of it. Not too many people have wanted to do that and those who have wanted to do that have not been able to do it to the same extent as the member for Murchison-Eyre. The member for Murchison-Eyre might be proud of that, but I do not believe that it is something that other members are proud of, and I can say of the member for Murchison-Eyre honestly - because people may not say it after he has gone - that many people will believe that this House will be a better place for his absence.

Amendment to Motion

I will give the House the opportunity to make a judgment on some of the matters I have outlined by seeking to amend the motion moved by the member for Scarborough. I move -

Delete all words after "That" in line 1 with a view to substituting the following -

This House is concerned that the dignity of Parliament has been damaged by the unfair and extravagant use of parliamentary privilege by members of the Opposition.

The Leader of the Opposition and the member for Murchison-Eyre have ignored the warnings of previous Speakers of this House to guard against rash statements that impinge on the privileges of the House.

This House acknowledges that the right of parliamentary privilege brings with it the duty to use it in a responsible manner.

This House will not tolerate the abuse of parliamentary privilege to place on trial members of the public who are denied redress in the same manner.

This House therefore censures the member for Murchison-Eyre for his abuse of parliamentary privilege in his campaign against Mr Len Brush and Mr Robert Martin.

Mr BURKETT: I second the motion.

Point of Order

Mr HASSELL: I have only heard the amendment, not seen it, but it seems to me to be a direct negative and therefore out of order in that it does not amend the motion but is in fact another motion, and indeed what the Government is trying to do is to bring on for debate the issue that it raised in a notice of motion it gave yesterday. The motion before the House relates to a matter of privilege relating to the conduct of a member of this House. The matter before the House was properly brought before the House on the first available occasion yesterday. I do not believe that it is properly within the rules of this House for a motion of privilege of this nature to be turned into a general debate as is proposed by this amendment. What the Government must do if it disagrees with the motion of privilege is to debate it but not try to fiddle with it and negative it by bringing on a motion which has nothing to do with the issue of privilege that is before the House.

Mr PEARCE: To the same point of order. The member for Cottesloe has been here long enough to know that the rule which is sometimes introduced about negating amendments which are direct negatives of an original motion does not apply in this House. There have been many occasions on which members have sought to move amendments which effectively ensure that a motion which emerges at the end is very different from that which was evidenced by the mover of the original motion. I carefully worded this amendment so that it bears on the same matter of privilege which was raised by the member for Cottesloe. That is, the respective comments of the member for Scarborough and the member for Murchison-Eyre. It is the same matter of privilege, but it reaches a different judgment. I believe it is quite incumbent upon this House to make that judgment.

Mr CASH: On the same point of order. It is clear that the Leader of the House has used the motion currently listed as No 18 on the Notice Paper in which to furnish himself with an excuse to move this particular amendment. It seems to me that if the Government wants to bring on notice of motion No 18 the Government can move accordingly and should not use the particular motion moved by the member for Cottesloe for those purposes. Clearly the words used in the amendment of the Leader of the House are the very words used yesterday by the member for Scarborough to describe much of the information that he wants to rely on today.

The SPEAKER: Firstly, the motion before the House is that all words after "That" be deleted. All the speeches just made are contrary to that. The matter that all words after "That" be deleted can hardly be improper. However, I take it that members of the Opposition are objecting to what will be proposed if in fact this motion has the concurrence of the House. I will rule on that in advance so as to obviate the need to go through this again. There are ample precedents going back to 1915 indicating that it is quite proper to amend a motion in this manner. The question is that all words after "that" be deleted.

Debate Resumed

MR HASSELL (Cottesloe) [4.20 pm]: I shall speak briefly to this matter. It seems to me to be quite wrong --

Point of Order

Mr PEARCE: Mr Speaker, I understand that the member for Scarborough had the call before the previous point of order was taken. He had seconded the motion and then sat down because points of order were taken.

Opposition members: No!

Mr Peter Dowding: You took a point of order on it.

Mr PEARCE: I am making a point of order now.

The SPEAKER: The matter is resolved; the member for Scarborough wishes to have the call.

Debate Resumed

MR BURKETT (Scarborough) [4.22 pm]: Members opposite quickly jump in to criticise the Leader of the House for his amendment to this motion. I have no intention of withdrawing my Notice of Motion and I will carry on with that at a later stage.

Mr Hassell: Would you like to borrow this book?

Mr BURKETT: No, I would not. I will not even call the member for Cottesloe a dope -

Mr Lightfoot: Is that a point of order?

Mr BURKETT: No. We will look after the member for Murchison-Eyre later. Let us return, Mr Speaker, to where this dreadful business started in this Parliament. The first question asked on 31 March 1987 by the member for Murchison-Eyre illustrates how low he would go to try to put himself on a political pedestal at the expense of another human being outside this place.

The background to the matter is that a senior member of the State Superannuation Board - not Mr Brush - was interviewed by two police officers. He was assured the information in that interview would be confidential. Nobody else was present.

Point of Order

Mr WATT: As you have so rightly indicated, Mr Speaker, the question before the Chair is that all words after "that" be deleted. Even though the member for Scarborough has not been speaking for very long, it is clear he is not speaking to the amendment. I ask you to rule accordingly.

The SPEAKER: Let us set the ground rules for this session of this Parliament from the start. The proper practice on these occasions when dealing with two separate parts of a motion - that is, to delete all words after the word "that" - is to talk to one part only. Having achieved that, or not having achieved that, as Parliament desires, we can then debate the merits of the remainder.

Debate Resumed

Mr BURKETT: Mr Speaker, putting aside how the member for Murchison-Eyre obtained the information, bearing in mind only one staff member of the State Superannuation Board and two police officers were present, and the interview was totally confidential, on 31 March 1987, Mr Lightfoot put the question -

Is the Treasurer aware that a senior employee of the State Superannuation Board -

Point of Order

Mr WATT: Mr Speaker, I do not wish to labour the point, but I thought that you gave a very satisfactory ruling earlier. Either the member for Scarborough did not hear or he did not understand. I would be happy if you could repeat your ruling - perhaps in words of one syllable.

The SPEAKER: I do not think the last part is necessary. If we could all agree to the procedure at the beginning, it would make life easier for everybody when we deal with a

matter in two parts; that is, whether a matter is to be deleted, and then having deleted it or not, we proceed to discuss remaining matters. The only matter that we can now discuss is whether all the words after the word "that" should be deleted. Having achieved that, or having not achieved that, the procedure then is to go into the detail the member wishes.

Mr BURKETT: I believe I have been speaking to the amendment to the motion moved by the member for Cottesloe regarding why I should not make statements in the Press about what I intend to do in this House. When I enlightened members of this Parliament on the reason for my making that statement, I did not feel that I was moving away from debate. In fairness to debate, I should run through events from the start.

The SPEAKER: Perhaps I am not making myself clear; however, I am trying. If the member for Scarborough wishes to talk to this part of the amendment, he cannot say a lot. He can either say, "Yes, I agree" or "No, I cannot agree." Virtually, that is all one can say, and having done that, the Parliament makes a decision, and one can talk on.

Debate Resumed

Mr BURKETT: I second the amendment. I wait with bated breath to see the smiles on faces after the tea break. We will see who the laughing hyenas are at six o'clock.

MR HASSELL (Cottesloe) [4.28 pm]: In a very real sense, the Government is admitting the substance to the point raised by the Opposition in seeking to delete the words. The Government is not prepared to confront the issue of privilege raised by the Opposition. In trying to delete the motion and subsequently to bring in another resolution the Government is saying that it cannot deal with the issue of privilege. I am heartened by that move because the Government is at least acknowledging that the privilege of Parliament is something which cannot be fiddled with - even by a Government member.

The move to delete the words underlines my remarks about the Government's not backing up the member for Scarborough when he sought the removal of the member for Murchison-Eyre from Parliament. There is no action to remove the member for Murchison-Eyre from Parliament, and confronted with a motion of privilege the Government is not prepared to go against the principles outlined by the Opposition. Instead, it simply seeks to delete the words so that it can pursue a political tactic and bring in another motion attacking the member for Murchison-Eyre. The Government does not have the courage to defeat the motion of privilege; it is trying to take another route. The Government does not back its own member by bringing up another resolution to remove the member for Murchison-Eyre. The Government does not back the member in resisting the motion of privilege. The Government has sought to play a political game, to twist the issues around so that it does not need to confront the essential question.

The Government is admitting its guilt and, in a real sense, its desire to omit the words is a victory for the Opposition.

Amendment (words to be deleted) put and a division taken with the following result -

Ayes (26)

Dr Alexander
Mrs Beggs
Mr Bertram
Mr Bridge
Mr Burkett
Mr Carr
Mr Cunningham

Mr Donovan
Mr Peter Dowding
Dr Gallop
Mrs Henderson
Mr Hodge
Mr Tom Jones
Dr Lawrence

Mr Marlborough
Mr Pearce
Mr Read
Mr Ripper
Mr D.L. Smith
Mr Taylor
Mr Thomas

Mr Troy
Mrs Watkins
Dr Watson
Mr Wilson
Mrs Buchanan (*Teller*)

Noes (20)

Mr Bradshaw
Mr Cash
Mr Clarke
Mr Court
Mr Cowan

Mr Grayden
Mr Hassell
Mr House
Mr Lewis
Mr Lightfoot

Mr MacKinnon
Mr Mensaros
Mr Schell
Mr Stephens
Mr Thompson

Mr Trenorden
Mr Reg Tubby
Mr Watt
Mr Wiese
Mr Maslen (*Teller*)

Pairs

Ayes

Mr Parker
Mr Grill
Mr Gordon Hill
Mr Evans
Mr P.J. Smith

Noes

Mr Williams
Mr Fred Tubby
Mr Crane
Mr Blaikie
Mr Greig

Amendment thus passed.

MR PEARCE (Armadale - Leader of the House) [4.32 pm]: I move -

That the following words be substituted for the words deleted-

This House is concerned that the dignity of Parliament has been damaged by the unfair and extravagant use of parliamentary privilege by members of the Opposition.

The Leader of the Opposition and the member for Murchison-Eyre have ignored the warnings of previous Speakers of this House to guard against rash statements that impinge on the privileges of the House.

This House acknowledges that the right of parliamentary privilege brings with it the duty to use it in a responsible manner.

This House will not tolerate the abuse of parliamentary privilege to place on trial members of the public who are denied redress in the same manner.

This House therefore censures the member for Murchison-Eyre for his abuse of parliamentary privilege in his campaign against Mr Len Brush and Mr Robert Martin.

MR BURKETT (Scarborough) [4.33 pm]: The matter before the House had its beginning on 31 March, when the member for Murchison-Eyre asked the question -

Is the Premier aware that a senior employee of the SSB has been interviewed by the WA Police fraud squad in regard to the association between Mr Rob Martin and the SSB?

That person, who was interviewed and who was assured by the police of full confidentiality, was not Mr Brush. That shows the readiness of the member for Murchison-Eyre to put before this House matters about an unknown person, who he obviously thought was Mr Brush. However, he was not. Mr Lightfoot's performance in Parliament was characterised by numerous abuses of privilege and gross language. Some of the worst were -

We have evidence today of a fraudulent dealing involving the Brushes, Melampus, Mr Martin . . .

. . . no matter how the Government stalls, carries on, tries to camouflage the facts and allows the poor Brush people . . . knowing full well they have committed some serious offence . . .

This dirty trail is exposing some of the filthiest happenings of any Government of this nation.

No-one in this Chamber . . . should underestimate what people are prepared to go through, or to what lengths they are prepared to go to preserve their positions and their ill-gotten fortunes.

On 1 April Mr Lightfoot said -

Last week the Premier alluded to assisting this State by saying that he did not want the people to get three ducks if the Government was to take one duck. He wanted to help the businessmen in this State to get 10 ducks in order that he could take three ducks. I think the State Superannuation Board is helping him out but they will turn out to be wooden ducks. I do not know exactly what the Premier said but there is plenty of evidence. There is a statutory declaration signed by Mr Aslam, a good, honest and intelligent man from Accord Nominees Pty Ltd, and that declaration alludes to the cheques in detail. A company search has been obtained which shows that Len Brush and Mrs Brush, the former principal private secretary to the Premier, owned Melampus Pty Ltd.

Mr Greig: You should be ducking for cover.

Mr BURKETT: I am not ducking for cover.

The trial transcript shows that, whilst Mr Aslan claims that he photocopied documents in Mr Martin's office because he was concerned about a crime, the same Mr Aslan - a good honest and intelligent man - did not take this information to the police in the first instance; he went to the member for Murchison-Eyre. That proves this was a Liberal Party political activity from day one. I ask members of the Liberal Party to try to deny that.

As the member for Murchison-Eyre set about trying to persecute Mr Len Brush and Mr Robert Martin, from that day it was crystal clear that the member for Murchison-Eyre received the total support of the Leader of the Opposition. This House was used as a coward's castle and the head coward was obviously the member for Murchison-Eyre.

I ask honourable members to think about the actions of this man. In early January he received hot information about a crime, but he sat on it until 25 February 1987, which I imagine was a Thursday. He then wrote a letter to Detective Sergeant Adrian Storm care of the police headquarters, 2 Adelaide Terrace. It states -

Dear Adrian,

Further to our recent conversation, I have outlined the fundamentals hereto as I have been informed by various complaints to me.

I have categorised initially the salient points surrounding certain dealings between Robert Paul Martin as explained to me, and supported by documentation (see attached) by Mr Gary ASLAN, who was at one time Accountant to Mr Martin, and the principal company secretary.

Mr Bradshaw: Where did you get that letter from?

Mr MacKinnon: Yes, it was confidential.

Mr BURKETT: The day he wrote it, it was faxed to Mr Tony Robertson of the *Sunday Times* as well as trying to hawk it to every reporter in the State. Yet the shadow Minister asks me where I got the letter. The letter continues -

Some time in early January Mr Aslan approached me with information. He offered that he would, on examination, suggest that a conspiracy/fraud/secret commission existed between him and the Chairman of the Superannuation Board, Mr Len Brush. Mr Aslan signed and indeed prepared himself, a statutory declaration, a copy which is attached hereto.

He also faxed that to the *Sunday Times*. They sat on this big crime for two months and broke the story in an effort to embarrass the Burke Labor Government. They did that so it would appear in the *Sunday Times*. If they were so concerned, why did they hold onto it for two months? That is how concerned they were. These were the actions of a great man, a great farmer and defender of the outback, the fellow who kicked Dan MacKinnon off the station because a spare tyre was missing when an inventory was done, the fellow who let his sheep get flyblown and a real hero of the outback. The letter continues -

With respect to the "Anchorage" at North Fremantle and the involvement by the Superannuation Board there, this I would be pleased to elaborate on at some further date with respect to the exposure by Teachers' Credit and, the possibility that the Managing Director, Mr Alex Clark may have compromised himself by accepting shares in various companies controlled, or operated, by Mr Robert Paul Martin.

I will also give you details at some subsequent time, with respect to the company "Sonartec" of which Mr Robert Paul Martin may have breached certain regulations under the Companies Act. (see documentation attached hereto). This also I will elaborate on at some later stage, should you wish.

If I can be of any assistance to expedite your investigation, particularly in respect to the payment of cheques to Mr Len Brush and his wife Mrs Brenda Brush, (principal private secretary to the Premier of Western Australia Mr Brian Burke), I will be pleased to assist you.

The member for Murchison-Eyre sat on the information for two months, or perhaps seven weeks. The date of his letter to Detective Sergeant Adrian Storm telling him of the hot information he had received in January was dated 25 February. Supposedly he had documentation of a serious crime. The member for Murchison-Eyre withheld this urgent information from the police for almost two months before he acted upon it. Obviously part of the State Liberal Party plot was to release this information to the police on Thursday, 25 February 1987 through the member for Murchison-Eyre in an attempt to embarrass the Burke Labor Government. Before receiving even an acknowledgment it was faxed to Mr Tony Robertson of the *Sunday Times*.

I was interested in the comments of the member for Cottesloe when he attacked me by calling me a dope and referring to the woeful job I was doing as a member of this Parliament. I do not apologise for what I said to *The West Australian* about the member for Murchison-Eyre. I would be happy to debate the Notice of Motion I gave yesterday at a later date. When the member for Cottesloe was dumped as leader of the State parliamentary Liberal Party, my wife, Beryl, told me when I arrived home that night that she had rung Sue Hassell and told her how proud she was of her for sticking up for her husband on television. I thought that was very good.

Further down the track an incompetent dope of a Chairman of Committees was in the Chair at 12 minutes to one on a Thursday when the member for Cottesloe was under so much emotional pressure from the dirt around him that he was about to break down and cry because of what members opposite were doing to him. I was very pleased that the now Leader of the Opposition came up to me afterwards and thanked me for suspending the sitting for lunch. I do not intend to stand here and call the member for Cottesloe a dope; nor do I intend to call the member for East Melbourne or anybody else a dope. However, as long as I am a member of Parliament I intend to stand in this place and say that no member of Parliament, whether Labor, Liberal or National Party, independent or anything else, should have the right to use this place as a coward's castle, as did the member for Murchison-Eyre, and politically persecute innocent people.

Mr Lightfoot: You're talking a lot of rubbish.

Mr BURKETT: It is not a lot of rubbish.

Mr Lightfoot: You are making a fool of yourself. You are embarrassing this House.

Mr BURKETT: The member for Murchison-Eyre is the one who made a fool of himself. This friend of the police, their great supporter, had this information for two months before supplying it to them. He has done a grave disservice to this Parliament. I wish that the member for Cottesloe, when moving his original motion, had mentioned how wrongly the member for Murchison-Eyre used the Parliament.

MR STEPHENS (Stirling) [4.44 pm]: The National Party has listened to both sides and we are very disappointed that a debate of this nature is taking place, because it does nothing to enhance the dignity of the House. For years the National Party has argued in support of actions which will raise the dignity and prestige of Parliament. We are of the view that there has been an error on both sides and there is no point in continuing with political pointscoring. It is important that we all recognise how important is our right to make statements freely in the House.

It is also a member's right to highlight weaknesses as he sees them. Members should be very careful that they do not make wild allegations. If the amendment before the Chair is carried, it will not be a question about what is right and what is wrong; it will be a question about the use of numbers. We all know that in this place the side with the numbers can win anything, but that does not necessarily mean that that side is right. It is important that all members recognise the need for caution in using our privilege in the House, a privilege that is given to members in the exercise of their duty and which is used on behalf of their constituents. That privilege certainly does not include the right to come in here and malign people, especially without any shred of evidence.

The National Party takes the opportunity that is afforded by this debate to take everybody back to an even keel and to restate the position of privilege. With that in mind, it is my intention to move some amendments to the amendment which is currently before the House. I believe that is a realistic way to handle the present situation.

Mr Taylor: The member for Murchison-Eyre gets off scot-free.

Mr STEPHENS: No. The matter has been debated and I said earlier that there is possibly a bit of fault on both sides.

Mr Pearce: We think that is half right.

Mr STEPHENS: The Leader of the House is half wrong. Mistakes have been made. Let us acknowledge that. After all, who among us is perfect? Let us take this opportunity to restate the way that we should handle parliamentary privilege. If carried, a motion of this nature will only enhance the dignity of this place. I would hope that the House could see fit to support my amendments because neither the motion we are now discussing nor that given notice of by the member for Scarborough will enhance the dignity of this Chamber. Members would have to acknowledge that. Let us forget about political pointscoring and think about the dignity of the House and the task we were sent here to perform: That is, to try to improve conditions for the people of Western Australia. We have spent a couple of hours today debating this issue, and have not achieved anything. We certainly have not improved the dignity of this House. Even if the Labor Party was to use its numbers it would only be a Pyrrhic victory.

If my amendments are supported by the House, the amended motion would then read -

That this House is concerned that the dignity of Parliament has been damaged by the unfair and extravagant use of parliamentary privilege by members.

That members should not ignore the warnings of previous Speakers of this House to guard against rash statements that impinge on the privileges of the House.

That this House acknowledges that the right of parliamentary privilege brings with it the duty to use it in a responsible manner.

That this House will not tolerate the abuse of parliamentary privilege directed against members of the public who are denied redress in the same manner.

Amendment on the Amendment

I move -

That the amendment be amended by deleting the words "of the Opposition" in the first paragraph of the amendment.

MR PEARCE (Armadale - Leader of the House) [4.51 pm]: As I indicated previously, the Government is not prepared to accept the amendments proposed by the National Party.

Mr Stephens: You disappoint me.

Mr PEARCE: Maybe we do. You disappoint me also because the fact is that the National Party has to be the *Guinness Book of Records* holder for sitting on the fence. The National Party had once only two little pigeons sitting on the fence; it now has six, so there may be something in sitting on the fence, but I am not prepared to make that judgment. The Liberal Party should try fence sitting because it seems to work out in the bush.

In this case the National Party should make hard decisions. It is not good enough to say there is a bit of fault on both sides. There is an awful lot of fault on the Opposition side with the member for Murchison-Eyre, and we would be ignoring our responsibilities as members if we did not make in this case the kind of judgment that needs to be made. We do not make the same judgment as the member for Scarborough but we agree generally with the comments he made. It might be easy for the National Party to not make those kinds of judgments but it is the responsibility of all six members of the National Party as members of Parliament to hop off the fence and make a real judgment about people.

MR COWAN (Merredin - Leader of the National Party) [4.53 pm]: We have made a clear judgment on this issue, and the issue is quite repugnant. It does this place no credit to see what has been going on this afternoon.

Mr Taylor: You are putting us all in the same boat as the member for Murchison-Eyre.

Mr COWAN: No, I am not. The desire of members opposite to try to swing the member for Murchison-Eyre from as high a tree as possible is not much better. I would say members opposite are equally as bad.

Mr Taylor: That is disgraceful, and you know it. The fact is the member abused the privileges of this House.

Mr COWAN: I suggest that if members opposite had wanted to really address that issue they would have taken the proper course and appointed a Privileges Committee to examine those statements which were made, but they wanted to be vindictive about the issue, which does them and their party no credit. Why cannot members opposite do something about establishing a Privileges Committee?

Mr Taylor: Last time we called a Privileges Committee, nothing happened.

Mr COWAN: All that members opposite can come up with is a motion from the member for Scarborough that is not going to achieve anything more than has been achieved today. We should be prepared, where there is a question of a breach of privilege, to refer the matter to a Privileges Committee rather than use - as the member for Stirling has said - the numbers in this place to get a vote or a decision and then claim, as members opposite do, that because they have the numbers, they are right.

Mr Taylor: If we happen to have the numbers on the Privileges Committee, you would be in the same situation, just like the member for Stirling was two years ago.

Mr COWAN: There are two precedents. First, there was the situation relating to the previous Deputy Premier, the member for Ascot, where the Privileges Committee made a decision contrary to the wishes of the Government. Secondly, there was a case relating to the Deputy Leader of the Opposition, where the Privileges Committee made a decision. I think that answers the question.

Mr Taylor: What happened was everyone said the Privileges Committee was stacked; therefore it did not mean anything so far as Parliament was concerned. The fact is this House will judge the member for Murchison-Eyre, which is what should happen.

Mr COWAN: That is not true. The Government should establish a Privileges Committee to deal with this matter. The National Party is not pleased with the debate that has taken place on this second day of sitting.

Mr Peter Dowding: Would you support the establishment of a Privileges Committee to examine that issue?

Mr COWAN: Yes, certainly, at first glance.

Mr Peter Dowding: We can deal with that issue when we have finished this debate.

Mr COWAN: I make one qualification: Take out the motion which has been moved by the member for Scarborough and put in a referral to a Privileges Committee, and we may get a result. The National Party is tired of people using this place for their own personal gain to try to promote their party political position. It is time we all considered why we are here, and the amendment moved by the member for Stirling adequately demonstrates what we are here for. I urge members to cast aside for once their party political position and vote for something which they know they can all support with great sincerity.

MR COURT (Nedlands - Deputy Leader of the Opposition) [4.57 pm]: We support the amendment moved by the member for Stirling. We would prefer to debate the original motion we moved today, but even with the amendments we still have the opportunity to debate the question of the privileges of this House. The member for Murchison-Eyre has properly raised some areas of great concern to the people of this State. The member for Scarborough has, in an improper and vicious way, attacked that member, saying he should be thrown out of this Parliament. That is of great concern to us because the role of this Parliament is to raise the types of issues that have been debated. We all know what has taken place in this State since those issues were first raised, so we support this amendment because we believe it gives the opportunity for a fair debate on this question of parliamentary privileges.

MR TAYLOR (Kalgoorlie - Minister for Police and Emergency Services) [4.59 pm]: The Leader of the House has indicated it is not our intention to support the amendments that have been put before the House this afternoon. I want to comment on some of the remarks made by the Leader of the National Party and the Deputy Leader of the National Party. The Leader of the National Party said he is tired of this place being used to promote party politics. I can

cope with this place being used to promote party politics; we all happen to be politicians. Part of the use or abuse of this place may be to promote party politics in one way or another, but something much more important than that is the privilege of this House being abused, not from the point of view of abusing party politics, but to destroy individuals in our society, and that is what concerns me most of all.

If only the member for Murchison-Eyre could have seen what he did in choosing to go down the track he took in relation to Len and Brenda Brush; if he could see what he did to that family, what he did to Mr and Mrs Brush and their children over the course of the 12 months he pursued them in a way that I have never seen anyone pursued in my life, he would feel absolutely ashamed.

The critical thing is that this Parliament has a special privilege in terms of the freedom to speak. That is what the member for Cottesloe talked about. But that privilege does not bring with it a licence to destroy individuals in our society. We have a very great responsibility, and that responsibility is to ensure that if we are to use the freedom of speech granted to us as members of Parliament we should use it to benefit our society and not seek to destroy individuals.

The Deputy Leader of the National Party said we should forget about political point scoring. I will forget about political point scoring for a while, but I will not forget for a long time seeing what the member for Murchison-Eyre did to the Brush family. I do not know the Martin family, I have never met them, and I know Len Brush in only a passing fashion, but I know his wife quite well. I know what he did to those individuals. If what we say in this House tonight makes the member hurt a little, so be it. He has the right to reply and put his points here, but the Brush family did not have the right to stand up in this place and get the publicity he had. That is what members should be thinking about: they should think about people rather than party politics.

Mr Stephens: Did the court not think there was a case to be answered?

Mr TAYLOR: The court said there was a case to be answered, and they were found not guilty. This person could quite easily have taken the matter straight to the police and kept quiet about it. There was no need to use the privilege of this House to destroy these people, which is what he did. That is the important thing we should be thinking about, because each of us represents individuals, and if we are not concerned as members of Parliament about those individuals and their rights we should not be representing them.

I am very pleased indeed that come the next State election the member for Murchison-Eyre will be without a seat. Even if there had been a seat of Murchison-Eyre, there is no doubt that those people would not have him back in any circumstances as their member of Parliament. They know what he has done to destroy their reputation by going around the countryside as the member for Murchison-Eyre. People like Peter Coyne, who represented that seat with distinction for years, would hang their heads in shame to know that a person of such low calibre now represents the seat that he represented for so long with such great distinction. He is now known throughout Murchison-Eyre as the "Dirty Dobber from Dalkeith", and that is how he deserves to be known.

Amongst his own party he is now known as "Ross the Fainthearted". When one person outside this Parliament challenged him, that person was prepared to front up to him by grabbing him by the tie in the parliamentary bar. He did not even hit him. When someone had the courage to face up to him on these sorts of issues he fell to the floor of the parliamentary bar and stayed there. The senior members of Parliament opposite now call him "Ross the Fainthearted". He is pretty strong when he attacks individuals who cannot look after themselves in this place, but he is not so strong when his colleagues get up and front him. He ends up on the floor and stays there, and that is where he deserves to stay.

This Parliament has the right to look at this member and say, "This is what you did to individuals in our society." Whispering death over there will not be whispering too much in relation to Phil Lockyer and others in the future. If this Parliament judges him correctly tonight, he should be censured. The National Party, in wanting to drop off the last paragraph in our amendment, is showing insufficient courage in this issue. In the end we must remember that the Brush family did not have the right of reply, but the member for Murchison-Eyre will probably use it tonight. He went on here about the Brush family for a

year. The courts have judged them, and this court will judge the member for Murchison-Eyre tonight, and so it should.

MR WATT (Albany) [5.08 pm]: I support the amendment proposed by the member for Stirling. Only in November last year we had a debate in this Parliament when a motion was put forward that this House should reassert its right to that fundamental privilege of freedom of speech. You will recall Sir that what brought that debate on in the Parliament was an action in which you were involved. I do not wish to canvass that again, but at that time the boot was on the other foot; a motion was coming from this side of the House to challenge somebody who has links with the Australian Labor Party. All the jiggery-pokery is now on to amend motions and to turn the whole thing around so as to point the finger at somebody else and lay blame at his feet.

I want to bring to the attention of the House some of the comments made in the debate during that motion. I want to quote briefly the Leader of the House, who, in concluding the debate, said, in part -

We are prepared to have a motion passed which upholds those privileges and the right of freedom of speech which all members enjoy. Equally, we do not want to take up the time of the House in a petty argument about who said what and who was at fault with regard to the incident of last Thursday. Not wishing to enter into that petty argument we are not prepared to make a judgment on fault with regard to all of those things.

It seems to me that the Government is being very inconsistent when a motion on this very same principle was being debated in this House. The Government was not prepared to lay blame on anybody but to re-establish this fundamental right of all Parliaments which operate under the Westminster system of freedom of speech.

Now the boot is on the other foot; the Government is adopting a new set of principles. It is displaying terrible double standards. I remind the Government to think seriously about what members opposite said on that occasion and to relate it to what they are saying on this occasion. I support the amendment proposed by the member for Stirling.

Amendment on the amendment put and a division taken with the following result -

Ayes (20)			
Mr Bradshaw	Mr Grayden	Mr MacKinnon	Mr Trenorden
Mr Cash	Mr Hassell	Mr Mensaros	Mr Reg Tubby
Mr Clarko	Mr House	Mr Schell	Mr Watt
Mr Court	Mr Lewis	Mr Stephens	Mr Wiese
Mr Cowan	Mr Lightfoot	Mr Thompson	Mr Maslen (<i>Teller</i>)
Noes (25)			
Dr Alexander	Mr Donovan	Mr Marlborough	Mrs Watkins
Mrs Beggs	Mr Peter Dowding	Mr Pearce	Dr Watson
Mr Bertram	Dr Gallop	Mr Read	Mr Wilson
Mr Bridge	Mrs Henderson	Mr Ripper	Mrs Buchanan (<i>Teller</i>)
Mr Burkett	Mr Hodge	Mr Taylor	
Mr Carr	Mr Tom Jones	Mr Thomas	
Mr Cunningham	Dr Lawrence	Mr Troy	
Pairs			
Ayes		Noes	
Mr Williams		Mr Parker	
Mr Fred Tubby		Mr Grill	
Mr Crane		Mr Gordon Hill	
Mr Blaikie		Mr Evans	
Mr Greig		Mr P.J. Smith	

Amendment on the amendment thus negatived.

MR STEPHENS (Stirling) [5.13 pm]: There is no point in my continuing with the rest of my amendment.

Debate Resumed

Amendment (substitution of words) put and a division taken with the following result -

Ayes (25)			
Dr Alexander	Mr Donovan	Mr Marlborough	Mrs Watkins
Mrs Beggs	Mr Peter Dowding	Mr Pearce	Dr Watson
Mr Bertram	Dr Gallop	Mr Read	Mr Wilson
Mr Bridge	Mrs Henderson	Mr Ripper	Mrs Buchanan (<i>Teller</i>)
Mr Burkett	Mr Hodge	Mr Taylor	
Mr Carr	Mr Tom Jones	Mr Thomas	
Mr Cunningham	Dr Lawrence	Mr Troy	

Noes (20)			
Mr Bradshaw	Mr Grayden	Mr MacKinnon	Mr Trenorden
Mr Cash	Mr Hassell	Mr Mensaros	Mr Reg Tubby
Mr Clarko	Mr House	Mr Schell	Mr Watt
Mr Court	Mr Lewis	Mr Stephens	Mr Wiese
Mr Crane	Mr Lightfoot	Mr Thompson	Mr Maslen (<i>Teller</i>)

Pairs

Ayes	Noes
Mr Parker	Mr Williams
Mr Grill	Mr Fred Tubby
Mr Gordon Hill	Mr Cowan
Mr Evans	Mr Blaikie
Mr P.J. Smith	Mr Greig

Amendment thus passed.

Motion, as amended, put and passed.

MINISTERIAL STATEMENT*Lotteries Commission - Distributions*

Resumed from an earlier stage of the sitting.

MR BRADSHAW (Murray-Wellington) [5.16 pm] - by leave: I wish to reply on behalf of the Opposition to the Minister for Racing and Gaming's ministerial statement made earlier today in respect of the allocation of grants that have come from the windfall from the Lotteries Commission.

It appears that over the last few years there has been an increase in the amount of revenue generated by the Lotteries Commission due to the high success rate of Lotto and the Instant Lottery. As a result, the Government has found it needs to redefine where the funds from the Lotteries Commission should be allocated. In this case the Government has seen fit to allocate, as one-off grants, a lot of money to the health area. The Government has identified a wide range of health matters as receiving some of those fairly substantial grants. In some ways I see that as a windfall for the Government because some of the areas it has identified - and I will deal with them later - have already been earmarked by the Government in one way or another. Therefore, I guess it is easier for the Government to take the money from the funds of the Lotteries Commission rather than to take them out of the Consolidated Revenue Fund.

The first matter I wish to discuss relates to a \$2.8 million grant to allow a pilot breast and cervical cancer screening program. It is interesting that on 2 July 1987 an article in *The West Australian* stated -

A research group set up by the Minister for Health, Mr Taylor, has just completed a report on the role mammography can play in screening healthy women for cancer.

The article continued -

There was evidence that mammography could save lives.

On 28 October 1987 the Minister for Health then put out a Press release which read as follows -

A breast cancer screening program will be introduced in Western Australia, Health Minister Ian Taylor said today.

It would be established as part of the Government's commitment to improving women's health and their access to services.

On 18 October the Minister for Health issued a Press release which stated -

Women in rural areas will have access to better cancer screening services under a program detailed today by Health Minister Ian Taylor.

"Many women are missing out on regular cervical cancer screening tests, particularly some women in rural areas," Mr Taylor said.

As the report indicated, it is very important that more women should be made aware that they should be screened for both breast and cervical cancer. There is a fairly high incidence of the two types of cancer with breast cancer cases numbering only slightly fewer than the number of skin cancer cases.

As I said earlier, this screening procedure was promoted last year by the Minister. However, I am upset that it has taken nearly seven months for the Government to do anything about it. The only reason it has done anything now is because of the windfall it has received from the Lotteries Commission. The sooner it gets under way the better. The Minister said that it is a pilot scheme, but I am not sure why. I know the report recommended that a pilot scheme be put in place for two years. However, I believe that a full blown effort should be implemented so that more and more women can be screened for these types of cancer before they reach the fatal stage.

The Minister said that \$1.25 million will be spent on providing vaccination for Aborigines against hepatitis B which affects nearly half of the Aboriginal population. I believe this is discriminatory because not only has there been a rapid increase in the incidence of hepatitis B in the Aboriginal population, but also the incidence in the white population has increased rapidly. It is wrong that we should pick out just one group in the community to undergo a vaccination program. I believe the community needs to be made aware of this increase to prevent hepatitis B from spreading further in the community. The Minister said that that program will be set up. Why can it not be set up under existing health arrangements? I am sure savings can be made by using established health agencies throughout the State which currently deal with Aborigines.

A grant of \$2 million has been made to enable the State to provide a greater range of programs aimed at reducing the surgical waiting lists at teaching hospitals and to attract matching Commonwealth grants. This initiative was suggested by the Federal Government last year as a pre-election promise. It said it would provide \$45 million or \$60 million to the States on a dollar for dollar basis. On a pro rata basis, I think Western Australia would attract about \$5 million with a population of one-tenth that of the rest of Australia. Last year the State Government made a commitment to allocate approximately \$1.2 million for this purpose. I do not know whether that grant of \$2 million will be provided on top of that amount.

I know that the Government has tried to get private hospitals to cooperate by taking public patients. To my knowledge that suggestion has been met with a negative response because private hospitals want nothing to do with public patients. I believe that the Government will not solve this problem by throwing money away. It needs to do something to reduce the numbers of patients waiting for elective surgery. We have to get at the root cause of the problem which is, I believe, Medicare. Unfortunately, the Government refuses to recognise that Medicare is creating these long waiting lists. Until we can return to a balance between the public and private hospitals, as existed before 1984, waiting lists will continue to grow longer and services will continue to suffer.

The Minister said that \$2.9 million will be provided to help build new operating rooms and support facilities at Royal Perth Rehabilitation Hospital to increase the capacity of the hospital to undertake elective orthopaedic surgery. That is interesting! It is all right for the Government to build new theatres, but it has to have the people to put in them. Currently Royal Perth Rehabilitation Hospital is running at full capacity. Where will it put these people who need to have orthopaedic surgery - in corridors or tents? A woman rang me last year to tell me that she had gone to hospital, undertaken pre-operation tests, and was then asked to leave because her bed was needed desperately. She did not have the operation. It is

therefore remarkable that the Government intends spending \$2.9 million to build new operating theatres.

The Minister said also that non-teaching hospitals will be able to replace obsolete radiology equipment at a cost of \$1.8 million. That is a step in the right direction. Country hospitals, such as the Albany hospital, are crying out for new equipment. I know that the Albany hospital will be extremely happy with that decision.

The Minister said that \$500 000 will be used to convert Bicton hospital to a nursing home for young disabled patients. That is admirable. Many of these young patients live with elderly people. That can be extremely traumatic for them. It is only right that they should mix with people of their own age.

The Minister said that \$2 million will fund the implementation of the Kamien Report recommendations. That report was released some time ago. The Government has been very quiet about the steps it will take to implement those recommendations. The Kamien Report made recommendations concerning doctors in country towns. Many country areas are not serviced by doctors and the setting aside of this amount of money to help to provide them with doctors is a step in the right direction and is fully supported by the Opposition. I am not sure what the full cost of implementing all of the recommendations of the Kamien Report will be. I hope that we will obtain an answer to that in the near future.

The Minister said also that a tranquilliser education program to address the over-prescription and overuse of tranquillisers by the community will be established using a lotteries grant of \$100 000. Obviously, people need to take tranquillisers. However, many people cause themselves long term health problems and create huge cost burdens to the community by the overuse of tranquillisers.

The Opposition supports the moves outlined by the Minister although some of the programs are being established a little late. I hope we can look forward to legislation being introduced that will change the direction of funding provided by the Lotteries Commission.

SELECT COMMITTEE ON EFFLUENT DISPOSAL

Extension of Time

On motion by Dr Alexander, resolved -

That the time for bringing up the report of the Effluent Disposal Select Committee be extended to 23 June 1988.

[Questions taken.]

Sitting suspended from 6.00 to 7.15 pm

ADDRESS-IN-REPLY - SECOND DAY

Motion

Debate resumed from 17 May.

MR MacKINNON (Murdoch - Leader of the Opposition) [7.15 pm]: At the outset let me congratulate the three new members of Parliament, the members for Ascot, Balga and Dale, and wish them well in their time in the Parliament. I particularly welcome the member for Dale, Fred Tubby, and congratulate both him and all those people involved with his campaign. It was a very successful one, and he can take great credit for the good result achieved. It was a good result, and continues the electoral momentum begun last year; the swing achieved in the Dale campaign of slightly in excess of 10 per cent was a healthy swing in anybody's terms.

Mr Peter Dowding: Especially when it is a one horse race!

Mr MacKINNON: Coming as it did on top of the swings of 15 per cent in Ascot and 23 per cent in Balga, one can clearly see the trend.

Mr Hassell: How many horses in those races?

Mr MacKINNON: I am not sure, but there were several. It is a clear indication that we are on track in our aim to return to Government. In particular in relation to Ascot and Balga I

pay tribute to the two candidates, Peter Blaxell and Reg Davies. They were clearly, with due respect to our two new members of Parliament here, the best candidates in the field. Their results were significant: 15 per cent and 23 per cent swings are the sorts of figures one dreams about, and they were achieved here in Western Australia; a clear indication that we are on the road back to Government.

It is even more clearly an indication that we have a Government which has lost touch with the electorate. For people who bothered to campaign, as I did in each of those areas, it was interesting to notice the absence of the Premier in those campaigns. Clearly the ALP was not confident of marketing the Premier, and his absence was quite conspicuous. It was clear that the issues coming through, the increasing cost pressures on people, law and order, education, jobs for the boys and so on, are really starting to bite in the electorate. Those matters have been reinforced by this most recent publicity which indicates that the Government has a fixation about becoming involved in business as a participant. It appears more interested in St George's Terrace than the problems of the people of Ascot, Balga, Dale or any other area of Western Australia.

The direction this Government is taking is now all too obvious. It is a direction that we have been pointing to from the Opposition benches for quite some time, with little success in terms of public response until now. We have been pointing to the involvement of the Government in business via the WADC, Exim, the State Superannuation Board - we have debated that here today - and latterly the State Government Insurance Commission.

This evening I want to focus my remarks on the State Government Insurance Commission, and analyse what has occurred in recent months in that area. I want to raise a series of questions about the Government's accountability - questions I might add which have little, if anything, to do with commercial confidentiality, the excuse behind which this Premier and Treasurer constantly hides.

Let me predict in advance that we will probably receive little or no answer to the very important questions which should be answered by the Government. As members know, I have given a clear commitment that on our return to Government the tradition of accountability will be returned to Governments in this State.

I shall give a little background to the SGIC, because it is important to understand this whole issue. Firstly, the SGIC is a totally Government-owned corporation. That is probably not news to anybody, but it is important to understand that in the light of the subsequent comments to be made. Secondly, it has a board, the membership of which is totally appointed by the Government. Not only is it Government owned, but also it is controlled by the Government via that board membership, and, of course, we know, from looking at those members, particularly Kevin Edwards and Tony Lloyd, that the SGIC is directly influenced by the Government through those two men in particular. If there were any doubt of the ability of the Government to influence the SGIC through those means, then section 10 of the Act itself, the State Government Insurance Commission Act, gives the Government, through the Treasurer, who is the responsible Minister, the ability to give directions to the SGIC at any time.

So it is important to understand that the SGIC is not an independent arm of Government; it is an arm of Government with direct links into the office of the Treasurer, with people on that board answerable directly to the Treasurer, and with the Treasurer having the ability to direct that board should it not accede to his requests in any event.

The second important point to make in terms of the board which is also important to understand in light of further comments I will make is the balance sheet of the SGIC itself. It makes interesting reading when we see the amount of assets purchased by the SGIC since this report was released. The last published report, the annual accounts of June 1987, showed that the net assets of the commission were \$60 399 000. In fact they were the total assets before taking away liabilities, which include outstanding claims. The biggest liability was \$936 million. It is important to understand that in that almost 12-month period we have seen the SGIC enter into a purchasing extravaganza unprecedented in its history. It made a purchase almost matching its total assets at that time - more than \$800 million - and this purchase of assets could be questionable in many respects in terms of the appropriateness of an insurance commission, let alone a Government insurance commission, owning those assets, as I will explain later.

That leads me to the first series of questions that should be answered by the Government; in fact I believe the Treasurer, as the Minister responsible, has a responsibility to answer. That is, how have all of these purchases been financed? Obviously they would have been financed from borrowings, by and large, and the Government has indicated that some of those purchases - the early ones from Bell - were financed by a series of loans from banks. But was that just by the SGIC, by Government guarantee, and how have these latest series of purchases been financed? Has the purchase been financed from other arms of Government? Is the Western Australian Development Corporation funding those purchases via short term money market funds? That is the sort of question the Treasurer should be answering.

The second question is: Has the Treasurer been asked to approve any of those borrowings under section 7 of the State Government Insurance Commission Act itself? Did he approve any of the borrowings?

Mr Court: He has to, doesn't he, under that section?

Mr MacKINNON: It is clear that, as would have been anticipated, he will not answer those questions now; nor will he at any time, I predict. For the benefit of the Deputy Leader of the Opposition, it says under section 7 -

- (1) The Commission has power to do, in the State or elsewhere, all things necessary or convenient . . .

Under 2(a) it says -

with the approval of the Treasurer, to borrow moneys in accordance with this Act and . . . give or arrange security for such borrowings;

Members should bear in mind that much of that borrowing has been for real estate, against which I have not seen any mortgages registered although we have had the titles searched, certainly of the early real estate assets, and many of the shares in respect of the latest purchase. Again, there was no comment from the Government in respect of how that was financed. It is a major Government corporation and there is nothing commercially confidential about whence the money is coming. It is information we should be entitled to know. Did the Treasurer approve those borrowings in accordance with the Act? We receive from the Treasurer a stony silence.

The third point to make in relation to the question of the SGIC is the nature of the investments themselves. I indicated earlier that even if it were a private insurance commission the investments being made are far beyond what would normally be expected. I will recount but three of these investments. First, there was the purchase of the shares in BHP last year from the Bell Group, which amounted to 2.5 per cent of Broken Hill Proprietary Co Ltd. That was a total investment at the time of \$285 million. One third of the total assets of the SGIC was invested in shares in but one corporation. I challenge the Treasurer or any other member of the Government to indicate to me tonight any investment house in Australia - insurance company, superannuation fund, or other - that has ever in its history invested 30 per cent of its funds in one share and paid a price at the time that was well above the market price.

Mr Peter Dowding: It is not now, is it?

Mr MacKINNON: It may not be now, but I would challenge the Treasurer to demonstrate to me that the Insurance Commission has made money on those shares. In fact it has not. As I pointed out in this House last year, BHP shares will have to be \$8.50 12 months after their purchase for the SGIC to mark time, let alone make money in terms of a comparative investment. Whether the SGIC made money on those shares is not the point; the point is that it is totally against normal prudential requirements and practice. It is not prudent to invest 30 per cent of one's total funds in one share.

Secondly, I refer to the latest purchase - 19.9 per cent of Bell shares. Again, this is an investment that was well above the market and in a highly volatile stock. If members look at the price of the shares over the last 12 months they will see what I mean. They were well above the ruling market price, hardly what one would call a sensible investment for an insurance commission.

Thirdly, I refer to the underwriting of the Bell convertible notes. Again, that was a highly risky investment at any time by anyone, let alone the State Government Insurance Commission, and again it was an investment at well above the market price.

Mr Peter Dowding: Which one are you talking about now?

Mr MacKINNON: The Bell convertible notes, an investment well above the market rate and a highly risky one at that. The questions in relation to this matter are many. First, why in each of those cases did the SGIC pay above the market price? In fact, there are now rumours that Mr Holmes a Court is back in the market, buying Bell shares for less than he sold them to the SGIC. Why should he not? The Government paid well above the ruling market rate. Secondly, why Bell? What assets does Bell have that make it so important that ownership remain in Western Australian hands? That is, apart from West Australian Newspapers Ltd, and that should certainly not be in the hands of the Government.

Mr Peter Dowding: Wigmores.

Mr MacKINNON: What is so important about owning Wigmores or Bell? TNT, for instance, has shareholders in Western Australia. Most other companies have Western Australian shareholders. Why is it so important for the Government of Western Australia to own Wigmores? Is that why the SGIC bought the shares? No answer.

A third and very important question in this area, bearing in mind - and the words of the Treasurer's predecessor still ring in my ears - that when the SGIC legislation was brought down we were told that the SGIC was going to be competitively neutral and was going to play the game just as every other insurance company does, is whether all of these investments fit the guidelines laid down by the Commonwealth Insurance Commission. I challenge the Treasurer to give an answer to that question today or tomorrow. Do the SGIC investments meet the guidelines laid down? I guarantee that first we will not get the answer and, secondly, it is highly unlikely that they do, particularly in relation to the investment of its funds. These are all important questions and we have not received any answers. None of these questions impacts on any commercially confidential matter.

The fourth point is that the recent investment of the SGIC in Bell gives the SGIC ownership of a significant proportion of West Australian Newspapers Ltd. The Opposition will have no part of the State Government, via any of its agencies, owning any proportion of West Australian Newspapers. The Opposition does not believe that is a proper role for Government. In fact, we believe it is the first step along the road to placing at risk the freedom of the Press in this State. The Leader of the House talked a great deal today about freedom of expression and speech, but the Government has taken the first steps down the road to destroying that fundamental freedom in this State.

Who could believe any politician, least of all the Premier and members of this Government, when they claim that they will not try to influence West Australian Newspapers? Members opposite do it now and they did it even before they became part owners of the paper. Now that they are part owners, they will become even more involved. What would have happened, for example, when the previous Premier - "Captain Clean" - sent the police down to interview a journalist on the staff of *The West Australian* because he was inquiring into the Premier's behaviour?

Mr Cash: Intimidation!

Mr MacKINNON: The member for Mt Lawley is not wrong. What would this Premier do if he owned a fair proportion of that paper? I guarantee that that journalist would not be employed for very much longer. So much for freedom of the Press. Who believes that this Government, in the lead-up to the next election - when it will be on the ropes and in real difficulties - will not endeavour to influence the major daily newspaper of this State because of the problems it is facing? Nobody in their right mind would believe that the Government will not succumb to that temptation. Such temptation should not be placed in the hands of any Government, whether it be Liberal, Labor, National Party or Democrat. We will have no part of it. We will do everything in our power, while in Opposition, to ensure that the State Government disposes of that interest. I can assure the House that on our return to Government that interest in *The West Australian* will be disposed of.

The Premier and Treasurer needs to answer some important questions in relation to that matter. Does he support the move by the SGIC to have a director placed on the boards of both Bell Resources Ltd and the Bell Group? Is it the Treasurer's wish that the SGIC does that? Again, silence from the Treasurer. The Treasurer obviously supports the SGIC having directors on the boards of both companies, despite his claim earlier that it was not his wish

that the SGIC involve itself in the management of those companies. If the Treasurer is sincere in his belief that the SGIC should not be represented on the boards of those companies, why is it that it is now able to achieve board membership of each of those companies? Who will be the director and the alternate director - Wyvern Rees as director and Kevin Edwards as alternate director? That is what I predict. Is that what we want in Western Australia?

Mr Lewis: It could be the other way round.

Mr MacKINNON: Yes. In a Press statement of 2 May the Premier and Treasurer said -

Cabinet today endorsed the view of Premier Peter Dowding that the State Government Insurance Commission should consider options for divesting links with *The West Australian* newspaper.

What options has the SGIC considered? What directions has the Treasurer given in that respect? Has the SGIC been encouraged and, if so, how has it been encouraged? I would lay members London to a brick on that the Treasurer has not even spoken to the SGIC about divesting itself of *The West Australian*, because that is one of the major reasons that the Government purchased the shares in the Bell Group - that is, because Bell owns the newspaper.

Mr Peter Dowding: What a silly assertion.

Mr MacKINNON: Why is the Government not getting out of it?

Mr Peter Dowding: I will reply to you in due course, but that is a silly assertion.

Mr MacKINNON: Why is the Treasurer supporting board membership of both of those companies? No answer. Clearly the Treasurer does not have the ability to participate, as his predecessor did, in sensible debate across the Chamber.

Mr Wilson: We thought you were going to be a new leader. Same old MacKinnon.

Mr MacKINNON: The difference is quite clear.

The third question in relation to *West Australian Newspapers* deals with Mr Holmes a Court, now a minority shareholder in *Western Australian Newspapers Ltd* and in the Bell Group, rejecting out of hand the approach by a group of Western Australian investors to buy back *The West Australian*. I support that approach and I hope there are two or three others from Western Australian-based groups. What do we hear the Treasurer saying about that today? Not a peep, yet Mr Holmes a Court is still running the show and has rejected out of hand what I thought his Press statement of 2 May indicated was his preference. He endorsed the fact that the SGIC should consider options for divesting links with *West Australian Newspapers*. Well, there is an offer alive and well in the community, which should be given serious consideration and one about which I would have thought the Treasurer would speak to Wyvern Rees today. Has he? Stoney silence - no comment from a Treasurer who on 2 May said that he thought the commission should consider options for divesting its links.

None of these questions has anything to do with commercial confidentiality and they are all questions to which the people of this State are entitled to have answers.

I turn to what is probably the most important part of the SGIC operation at the moment and the most important in terms of the Government's activities in this area - that is, the secrecy which has surrounded much of what has gone on. Let us turn first to the so-called "profit" made on the purchase of the BHP shares and the subsequent sale of part of them. In the *Sunday Times* of 8 May it was reported -

The commission has also claimed a profit of \$12 million on the sale of half its BHP holding,

It cost the commission \$285 million to buy those shares, half of which is \$140 million. A return of \$12 million on \$140 million is not such a flash return even if the shares were held for only a few months. It has been claimed that \$12 million is a good profit. I dispute that it is all that flash.

The Government said it made a \$12 million profit. What comes out after all that? What is the secret deal? What has the Government, through the SGIC, done to show that it is a good manager? The Government said that the terms of the transaction allow the buyer to return the shares to the SGIC in a year if the price at that time is below \$8 a share.

Mr Court: Are they dummyping up the balance sheet?

Mr MacKINNON: Exactly. At best it is a contingent profit because the 12 months has not passed. The profit is also contrived because the Government had to underwrite its sale. What is flash about that? Who would not have bought the shares? I would have bought them if I could guarantee that in 12 months' time I could sell them back if they had not gone above \$8. What fool would not? The Government claims it is doing flash deals through the SGIC, the wizards in the marketplace! Did the Government underwrite the deal and, if so, did the Treasurer know about it? All we hear is stony silence from the Treasurer. If he did know, when did he know? Did he approve of that sort of deal? Does he approve of it now? Apparently, the Treasurer approves of the SGIC's attempting to underpin its profits by a guaranteed buy-back. Is that what the Government calls a flash deal? To whom have the shares been sold? They could have been sold to the State Superannuation Board or another Government agency.

Mr Lewis: The WADC?

Mr MacKINNON: Yes, even the WADC. When were they sold and, more importantly, why keep the deal a secret if it was such a flash deal? Why cover it up? The Government was desperate to show that its dealings were successful when the truth of the matter is that these deals were contrived at best.

The second point we raise in terms of secret deals relates to the property sale and the so called \$67 million. We all saw the Premier and Treasurer on television attempting to answer questions about that money. I congratulate Vicki Laurie for her excellent interview of him the other night. Let us look at the facts about that deal. I refer to an article in the finance pages of the *The West Australian* which is headed "SGIC in \$70m tenancy deal" and which states -

The State Government Insurance Commission has given the multi-millionaire owners of the St Georges Terrace super site - from Newspaper House to the Perth Technical College - an underwriting deal worth \$70 million to take space in the development.

The deal by the SGIC, to ensure that 35,000sqm of prime office space is taken in the future office building, gives the developers a solid guarantee to the commercial success of the project.

It is understood the SGIC signed the deal with Warren Anderson's Tipperary Developments and Kerry Packer's Consolidated Press Holdings as part of the \$270m land deal which thrust the two men to the forefront of Perth office development.

The \$70m commitment, if called on by the developers, would force the SGIC to take or find tenants for the space, which is greater than the whole of the AMP building.

Again, what fool would not enter into a deal with such an underwriting arrangement and with an agreement to lease back a development worth \$70 million?

Mr Hassell: A pauper could do a deal on that basis.

Mr MacKINNON: Yes, let alone two of the richest men in Australia. Kerry Packer is reputedly the richest man in Australia. I am not sure about Warren Anderson's assets; I understand that he is reasonably wealthy.

That sale gave the Government a contingent profit at best. It did not have to pay for its investment for two years. The Government said it would guarantee to underwrite the deal with a \$70 million lease-back arrangement. That is a pretty good deal and a contingent profit at best. It is, in reality, a contrived profit, as was the profit in the BHP deal, and is a desperate attempt by the SGIC, at the instigation of the Government, to show it has business acumen. What sort of business acumen is it when anybody would have bought the property on that basis? There is not one skerrick of detail to show how the profit was calculated. Does the \$67 million take into account the interest over the next two years? The SGIC had to borrow the money to pay Bell. Where did the \$205 million that it paid for the properties come from? How did it arrive at that figure? Is this underwriting deal factual? Did the Treasurer know about it? Perhaps he could answer me now by interjection.

Mr Peter Dowding: I will speak in due course.

Mr Hassell: He knows a bit more about the deals which have gone on and which have been kept secret.

Mr MacKINNON: It is clear that the Premier and Treasurer, once bitten, is twice shy. He could not debate this matter with Vicki Laurie and he will not debate it in this Chamber tonight. He must answer these questions. Did he know about the deal in advance and did he approve of it? If so, when did he know about it? How was the profit calculated? To whom was the property offered? Was it offered to anybody else around town? Was it marketed in the open market with the underwriting guarantee and lease-back arrangement?

Mr Hassell: It was offered and the offer was snatched away.

Mr MacKINNON: I will bet it was. Why was it kept a secret to be wheedled out by journalists from *The West Australian*? Why was it kept a secret if it was such a good arrangement? Why cover it up? Obviously, it was covered up because it was a contrived arrangement. All it proves to me is that it resulted from the Government's direct involvement in the operations of the SGIC for its political benefit. Politics are driving the activities of the SGIC, not commercial reality.

Mr Court: I think there will be a few more deals done before balancing day to make it look better.

Mr MacKINNON: Without doubt. The third deal about which we need to ask questions is the deal done in relation to the Bell convertible notes. An article in *The Australian* of 5 May 1988 states -

The deal involves Bell Group convertible subordinated Eurobonds held by Mr Holmes a Court's family interests.

Mr Holmes a Court holds convertible subordinated bonds in Bell Group NV and Bell Group Finance Pty for which he paid \$150 million; the bonds are not listed but virtually identical listed Bell Group bonds are selling in Luxembourg at 64.5c in the dollar, or \$96 million.

They cost \$150 million and were selling in Luxembourg on 5 May for \$95 million and I do not think they have moved much since then. The article continues -

The SGIC has entered into an underwriting agreement to place the bonds at their face value of \$150 million. The details of the underwriting are not known but it is expected that the bonds will be offered at a discount to the face value.

If buyers cannot be found for all of the bonds, SGIC, as underwriter, and any sub-underwriters, will have to subscribe to the shortfall.

Mr Hassell: Has that profit been taken into account?

Mr MacKINNON: No, I do not think so.

Mr Hassell: If you take into account unrealised profit, should you take into account unrealised losses?

Mr MacKINNON: Good point. Many questions surround that deal. The first question is, when did the Treasurer know about that deal? Should the Treasurer's memory have failed him I will quote from a newspaper article of 6 May which stated -

At an impromptu press conference at Perth Airport last night, Mr Dowding said he knew the underwriting arrangement was being made, but did not think it worthy of a public announcement.

I bet he did not. It continues -

He did not say when he was told of the deal.

Mr Peter Dowding: That is not what I said.

Mr Hassell: That is not the only occasion he wouldn't say when he was told of the deal.

Mr MacKINNON: When was the Treasurer made aware of the secret deal with Mr Holmes a Court?

Mr Lewis: The de facto Premier made the deal - Mr Kevin Edwards.

Mr MacKINNON: If the Treasurer was advised of the deal, when was he advised and by whom? Was he advised by Mr Edwards, or was it someone else? Has, in fact, this underwriting arrangement been sub-underwritten elsewhere? Has the Government tried to

spread the risk? In an article the financial commentators said it was difficult to see how it could justify underwriting the bonds held by Mr Holmes a Court unless it had already fully or substantially sub-underwritten their placement. If so the details of sub-underwriters should be made known.

That is the view of the people who operate in the marketplace. It was kept a secret in the first place. Has it been underwritten elsewhere?

If that part of the deal was so good, why did Mr Bond not take up that underwriting instead of the SGIC? Perhaps the Treasurer could explain that to me. He has indicated that they bought into Bell Group because it owned Wigmores. Perhaps he will explain how underwriting that part of the deal is good for Western Australia; is in the best interests of the State; will add to its growth and development of the State; and will encourage enterprise to grow.

Mr Court: That is what a lot of the small businessmen are asking during Small Business Week.

Mr MacKINNON: Exactly. Again, the bottom line is that if it is good for Western Australia, why was it kept a secret? The Treasurer said that he did not think it was worthy of a public announcement.

Mr Peter Dowding: That is not what I said - that is what was reported.

Mr MacKINNON: Is the Treasurer saying that Mike Southwell was wrong?

Mr Peter Dowding: Yes.

Mr MacKINNON: What did the Treasurer say?

Mr Peter Dowding: I said it was not appropriate that it be.

Mr MacKINNON: Why not?

Mr Peter Dowding: You have said that twice and I have told you twice -

Mr MacKINNON: Did the Treasurer take the matter up with Mike Southwell?

Mr Peter Dowding: I took it up with *The West Australian*.

Mr MacKINNON: Did the Treasurer issue a denial?

Mr Peter Dowding: I said that was not what I said.

Mr Hassell: You told the public about only half the deal. Isn't that amazing?

Mr MacKINNON: The only time the Treasurer made an announcement was when someone told him about it. When was the Treasurer going to make the announcement?

Mr Peter Dowding: You misunderstand what I am saying. I will answer it in my speech.

Mr MacKINNON: I do not misunderstand it. The Treasurer was not going to make the announcement but he was caught out. Why keep it a secret? All those questions should be answered.

Not one of the questions I have raised could be said to be commercially confidential. What could be commercially confidential about what was said in *The Australian* letting the public know that the deal was sub-underwritten? If the SGIC is to make a profit, why not make it public? Why keep it a secret? When was the Treasurer made aware of that matter and by whom? What is commercially confidential about that?

The other very important and essential question that needs to be raised in this debate is the Government's involvement in the deal. Its involvement was directly through Mr Kevin Edwards and Mr Tony Lloyd. The Treasurer and Kevin Edwards have admitted that Kevin Edwards undertook most of the negotiations. He is the Government's most senior economic adviser. It was reported today in the Supreme Court by a former director of the Teachers Credit Society that it was Kevin Edwards who instructed the R & I Bank - I guess on behalf of the Treasurer - to extend to the TCS a \$25 million overdraft. This man is the most powerful man outside the Cabinet and Government of this State.

Mr Peter Dowding: You love slurring people who cannot respond. Today this place was referred to as coward's castle.

Mr MacKINNON: I will say that on the steps of Parliament House. I would think that saying that about Kevin Edwards is a compliment to him. If he is not the most powerful man outside Cabinet and Government, who is? Of course, the Treasurer cannot answer that because he knows that to be the case.

Mr Hassell: The truth is that he is possibly the most powerful man inside the Cabinet.

Mr MacKINNON: He probably is.

Mr Peter Dowding: That is an inane question and you know it.

Mr MacKINNON: Without a shadow of doubt he is certainly more powerful than most of the Ministers.

Let us see, in the words of the Treasurer, how independent the SGIC is. The Treasurer can indicate to me if he has been misquoted in the following article which appeared in *The Australian Financial Review* of 6 May -

The SGIC is an instrumentality of government. It does report to me. Of course, it is not a vacuum. But I didn't direct it and I wouldn't direct it. On the question of whether there is the view of the Government being expressed around the board table, well, you would have to be naive to think the SGIC was going to go ahead whatever the Government's view of its program was . . .

The Treasurer is dead right - one would have to be naive because Mr Kevin Edwards is on the board and he works from outside the Treasurer's door and I believe he sits in on Cabinet meetings.

Mr Peter Dowding: No he does not.

Mr MacKINNON: Does he not? He is a powerful man and he is directly involved in the decision-making of this Government. He sits on the board and, as the Treasurer said, one would have to be naive to think that the SGIC would go ahead, whatever the Government's view of the program was. In other words, it does so in line with the Government's program and at the behest of the Government's program.

Some very important questions must be asked about the Bell deal and the Treasurer has the responsibility to answer them. Who actually initiated the deal and when did it begin? According to *The West Australian* - I suppose the Treasurer was again misquoted by Mike Southwell - the deal was suggested by the Executive Director of the Department of Premier and Cabinet, Mr Kevin Edwards who was Acting Chairman of the SGIC at the time.

Do we assume that Mr Edwards operated in a vacuum and made the deal himself, independent of the Government, and did not discuss the matter with the Treasurer? If he did, when did the Treasurer first become aware of the deal? I remind the Treasurer that on 5 May in *The West Australian*, Michael Southwell, a good journalist, reported as follows -

Mr Dowding said he was made aware of the proposal a week before it was announced by senior officers of the SGIC.

"They did not have to seek my approval for the proposal," he said.

"I have not had any discussions with the Bond Group."

If that is the case, when was the Treasurer first made aware of the proposal and by whom was he made so aware? In addition, when was he actually asked to approve the deal? In the *Sunday Times* of 1 May, Mr Dowding was reported as having said that the SGIC did not need his approval for the purchase but that it had sought his opinion and he agreed. Who sought his opinion, when, and on what basis? What was he asked to agree to? Was he asked to agree to the total package, including the underwriting deal, or just the shares? Was board membership discussed at that time? What was the understanding and what did the Treasurer approve at that time? Whom did he consult? We know that previously the Deputy Premier used to ring up several leading businessmen around town to seek their advice. Whom did the Treasurer consult? Did he ring friends, colleagues, Government officers or Treasury officers and seek their advice, or did he merely take the word of Kevin Edwards? Did the Treasurer listen to the advice of the Salomon Brothers, or did he take other advice, bearing in mind that Salomon Brothers also advised the Bond Corporation, as we found out subsequently. That particular link is apparently a concern of the Federal Attorney, but not of the State Treasurer.

Mr Hassell: It is the old pattern, isn't it? Didn't we have one adviser for Bond Corporation and the State Government under Premier Burke when they bought into the Argyle Diamond venture?

Mr MacKINNON: Yes. The other interesting question to ask is whether the Cabinet was consulted. We heard the Deputy Premier say a week ago that if the Cabinet had been consulted on the State Superannuation Board deal it would not have approved it. The previous Treasurer did. Was the Cabinet consulted about a major investment decision? The Treasurer claims that the Cabinet agreed with him that the Insurance Commission should consider options for divesting links, not for selling it. Cabinet members probably considered it for one second. I bet that Kevin Edwards considered it for about a second flat and then rejected the idea. Was the Cabinet consulted and, if so, when was it consulted? If it was not consulted on such a major deal, why not, bearing in mind that the Deputy Premier has said about another major business deal which has proven to be a very costly failure for the State Superannuation Board that if Cabinet had been consulted it would not have approved it?

Mr Lewis: It is called distancing yourself.

Mr MacKINNON: That could well be. The Deputy Premier will be distancing himself from the Treasurer more and more over the coming months. You will see that as part of the development.

The Treasurer gave an interesting answer tonight to the member for Cottesloe in relation to the NCSC. The SGIC was asked some questions by members of the NCSC. It has been asked a second series of questions. It asked the NCSC whether the information would be kept confidential. The NCSC said that it could not guarantee that. Thus tonight we have heard the Treasurer say that the questions will be answered subject to legal advice. He has hedged his bets. There should be no hedging. The SGIC must respond to the NCSC inquiries in detail. The replies must be available for public scrutiny via that agency.

Mr Hassell: They claim Crown privilege to avoid disclosing the truth to the watchdog body charged with protecting the public interest.

Mr MacKINNON: That is exactly right. Perhaps the Treasurer will address himself to that tonight. Will he insist, as he has the power to do, that the SGIC comply? His predecessor said that the organisation would in every way be commercially neutral. He swore that on a stack of bibles. It will be commercially neutral all right, but it does not comply with the Insurance Commission guidelines. Will it answer the NCSC?

Finally, what discussions has the Treasurer had with the Federal Treasurer, Paul Keating, about this? The Federal Treasurer refuses to answer questions about it in the Federal Parliament. That is amazing for a man who is usually so verbose. He has answered the questions in one sentence. What discussions has the Treasurer had with the Federal Treasurer and what was the nature of those discussions? Is Mr Keating a little concerned? He should be. He has just had the Western Australian Treasurer in Canberra bleating about the State being in desperate need of funds, yet at the same time it has gone on a massive spending spree. The SGIC has gone on a speculative investment spending spree. Perhaps that is what Mr Keating wanted to find out. Perhaps it was the Federal Attorney General's questions that also bothered Mr Keating. Perhaps the Treasurer will let us know.

Answers to the 30-odd questions or thereabouts that I have asked tonight are essential if we are to have any understanding of what is behind the Government's deals, if we are to know what has gone on. If the public of Western Australia is to understand what is happening with our corporation, our commission - it is not that of the Government, it is ours - we must have those answers. I refer in particular to these questions: Why keep these deals so secret if they are so good; why has disclosure of the deals been made by every means except by the Government? The Government is involving itself in an unprecedented way and on an unprecedented scale in private sector intervention in this State. It is doing so in a selective way, as I have indicated. The SGIC this year has bought hardly any assets but those of the Bell Corporation. Are they the only assets worthy of purchase in this State?

Mr Peter Dowding: What did you want them to buy - your mates' things?

Mr MacKINNON: I want the SGIC to make sensible investment decisions that are not high risk and that do not place the SGIC's funds at high risk. Its investment should be prudent and sensible and should not cut across every rule of a fund manager.

Mr Court: It's called balancing your portfolio.

Mr MacKINNON: That is right. I have already pointed out that there has been public sector intervention by the Government in a secretive way. The Treasurer's explanation was that he would have given an explanation at the appropriate time. He gave it when he got caught out. Never once was the information proffered by the Government. The Government is taking an undue risk. On 2 May the *The Australian Financial Review* reported -

Governments that play a major role in markets take a huge risk, but this West Australian administration is obviously unworried by the history of failures around the world in similar intervention.

The Australian Financial Review believes that the Government is unworried about similar failures around the world; I also believe that. The most worrying part is that the Government is in a most unfair position in the marketplace. It has sitting on the board of the SGIC two people, one in particular, who are privy to the closest decisions of Government. At the same time the SGIC is a player in the marketplace, an investor, a competitor. It will be privy to information that nobody else in Western Australia has. It will obtain that information well ahead of the game, outside of Government. That is called insider trading. It is against the law. This Government is playing that game.

It is taking unfair advantage. The Government also seems to be without care for the people one would expect it to care for: The people it should have a statutory obligation to look after - the minority shareholders of the Bell Group, the forgotten people in this situation. Ultimately, the costs will be borne by the taxpayers of Western Australia. The Treasurer has made great play of WADC and Exim contributing to the taxpayers; yes, they have made a contribution and pay a dividend on profits. Equally, the dividends will reduce on loss and it is a very naive person who believes that when playing high risk games one will always make a profit. The commercial road is littered with the ruins of business people who thought they knew how to do it.

In conclusion I will quote a letter sent to the editor of *The West Australian*. The letter was written by a constituent of mine whom I met once to discuss a constituency matter. He subsequently sent me a copy of the letter he had written to the editor of *The West Australian*, which has not yet been published. It refers to the SGIC deal and in part states -

That Mr. Dowding should choose to justify S.G.I.C.'s & S.S.B.'s involvement in Bell by stating "The end result is not to say should the S.G.I.C. be in there, or shouldn't it but is there a good return for the community", is a clear attempt to legitimise the bastardisation of Government involvement in business, and justify the action on the basis of what he labels community good... i.e. "profits". That the expected profit would be used to further increase the Government's intrusion into the private sector rather than produce lower Government charges is conveniently ignored.

That constituent must be well aware, as we all are, that State taxes in Western Australia have increased at a faster rate than in any other State in this nation in the last five years. The letter continues -

Corporatism is a policy all West Australians must understand -

That is a very apt description. It continues -

- and quickly, it is basically Government by "grace and favour" and the long term effect of this deliberate strategic alliance between Government and selected businessmen has so far been largely ignored, and the short term gains it provides for the chosen few may well lead to a serious deterioration of individual liberties for many.

What a profound statement by that constituent; it was echoed by the editorial in *The Australian* on 7 May which stated -

If this is so, then Western Australia is in danger of becoming a corporate State run for the preservation of a Labor Government that dispenses favours to its friends.

It is quite clear that we have a Government which has gone down that path; it is quite clear that this Premier and Treasurer, as did his predecessor, refuses to be accountable for his actions in any proper way and deserves the condemnation of this Parliament.

Amendment to Motion

I move the following amendment to the Address-in-Reply -

That the following words be added to the motion -

But regret to inform Your Excellency that the Government of Western Australia has involved itself in financially reckless and ethically questionable transactions through the SGIC specifically:

- (a) arrangements which have committed the Government to ownership of a significant proportion of West Australian Newspapers, so placing at grave risk a fundamental principle of our community, that of freedom of the press;
- (b) financial commitments that have placed the SGIC in the position of having to take undue risk in its investment programs and investments that will do little, if anything, to benefit Western Australia;
- (c) deliberately sought to hide and keep secret some of these dealings because of the knowledge that their disclosure would cause political embarrassment to the Government;

When disclosed they have caused political embarrassment. To continue -

- (d) directly involved itself in the SGIC decision making process by the direct involvement on the SGIC's Board of Mr Kevin Edwards, the Government's most senior political adviser;
- (e) have engaged in business deals, with the approval and concurrence of the Premier, which deliberately defeat the intentions, legislatively expressed by this Parliament, that all shareholders in a public company should receive fair and equal treatment in a takeover or de facto takeover situation, as occurred with Bell Group Ltd

and for all of which the Government deserves the censure and condemnation of this House.

MR HASSELL (Cottesloe) [8.15 pm]: I second the amendment to the motion moved by the Leader of the Opposition. I want to make a few remarks about two aspects of that amendment: Paragraph (c) which refers to the Government's deliberately seeking to hide and keep secret some of these dealings because of the knowledge that their disclosure would cause political embarrassment, and in particular paragraph (e) which refers to the Government's having engaged in business deals, with the approval and concurrence of the Premier and Treasurer, which deliberately defeat the intentions, legislatively expressed by this Parliament, that all shareholders in a public company should receive fair and equal treatment in a takeover or de facto takeover situation, as occurred with Bell Group Ltd.

I will deal with paragraph (e) first because at the outset I want to respond to a suggestion by the Premier during question time tonight that I had said somewhere along the line that somebody had committed an offence.

Mr Peter Dowding: I said that you had said "an alleged offence".

MR HASSELL: I know what the Premier said because I have a copy of *Hansard* but I am not quoting from it because it is uncorrected. I have never spoken about an alleged offence on the part of the SGIC or Bond Corporation. In a Press release yesterday I said that the National Companies and Securities Commission had been slow and acted with kid gloves. I called on the commission to be more vigorous and to speed up its investigation. I pointed out that there is a vital question of public interest and fairness at stake. Let us understand what that question is.

Mr Holmes a Court who owned 45 per cent of Bell Group Ltd was able to sell about 39 per cent of Bell Group at approximately \$2.70 a share, whereas at the time the market price for Bell shares was \$1.70 or less. Two prices were involved. The market varies but the difference between the price Mr Holmes a Court received for his shares and the price ordinary shareholders could have obtained on the market was \$1. The company has thousands of those ordinary shareholders; people who have been loyal shareholders of the

Bell Group for many years. Some of them have been in touch with me about the matter, including some relatives, and they are very concerned that they have been left out in the cold and that they can only get \$1 less a share than Mr Holmes a Court received.

The Parliament of this State and the Federal Parliament have clearly stated time and again that all shareholders should be treated equally in a takeover or a de facto takeover situation. There is also the question - this is where the Government has some difficulty - of decency and morality, apart from the question of strict law. It is one thing for Holmes a Court to sell his shares well and another thing for Bond Corporation to buy Holmes a Court's shares, but when a State Government instrumentality is acting in such a way that it is defeating the legislative intention of this Parliament and the Parliament of the Commonwealth, it is a different matter because that State Government instrumentality has a special responsibility to the public interest.

It is all very well for the Treasurer to stand up and say he is sure the National Companies and Securities Commission will find there was no acting in concert. He is prepared to say it was a remarkable coincidence that Mr Holmes a Court wanted to sell his shares; that he happened to want to sell just under 40 per cent; that Mr Bond wanted to buy just under 20 per cent; and that the SGIC, at exactly the same time, wanted to buy just under 20 per cent; yet there was no acting in concert; there were no common discussions at any stage.

If by any chance Bond Corporation and the SGIC had known about each other's deals and were acting in concert and with knowledge, there would have then been a legal obligation to make a bid to give all the Bell shareholders an equal chance to get this super price. It is a super price when compared with last October; it is not a super price when compared with the period prior to October. The Treasurer says he is sure they have not broken the rules, but one thing we are sure of, without any further proof, because it is before us today, is that they have broken the rules of decency and morality. I do not expect that the Bond Corporation or Mr Holmes a Court will be interested in those rules because they are businessmen who can go as close to the law as they are entitled to and do as well as they are entitled to, provided they do not break the law. We will leave it to the NCSC to find out whether they have broken the law.

It is, however, a different matter when we are dealing with the SGIC because that body was created by this Parliament and has a special responsibility to the laws and intentions of this Parliament. It is simply not right to have a little political operative like Mr Kevin Edwards flitting around and darting behind the scenes, cooking up deals with Mr Bond and Mr Holmes a Court, and with Mr Brian Burke's involvement, because Mr Edwards was not elected by anyone, is not answerable to anyone and does not represent anyone, except his own interests and those of the Labor Party. Mr Edwards has a clear conflict of interest because of his position as a member of the State Superannuation Board, a member of the Board of the SGIC, and a senior operative in the Treasurer's Department.

Can anyone on the Government side of the House seriously say to me that Mr Kevin Edwards does not have a conflict of interest and that there is not a conflict of interest between the commercial interests of the State Superannuation Board and the SGIC on the one hand and the political interests of the Government on the other through all this complicated web of dealings which the Leader of the Opposition has described in detail? There is a conflict of interest, not only between those two bodies but also between the public policy expressed by this Parliament and the actions of the SGIC.

I said in my news release yesterday that -

... the question of fact to be decided was whether SGIC and Bond interests had "acted in concert" in their purchases of Bell shares.

"If they did, the law then requires a takeover bid to be made *at the same price* to all the shareholders ...

"The essential principle, clearly the intention of the Parliament, is that all shareholders are treated equally.

I went on to say how an article in *The West Australian* indicated that the inquiry was going to take another week and that they were conducting the inquiry by a series of written questions. I said -

"It is also revealed that the method of investigation is by written questions sent by post.

That might have been a little inaccurate because I understand some of them have been sent by facsimile. However, that is a minor point. I said also -

"I have never known the police investigate an alleged offence by sitting in an office sending letters.

But here we have a transaction involving millions of dollars, a question of proper conduct by a Government body, and the NCSC writes a letter or two."

The news release continues -

Mr Hassell said he had spoken to the chairman of the NCSC some weeks ago and suggested some areas of inquiry.

"I thought the very least they would do would be to send a clear thinking and experienced investigator to pose some pertinent questions face-to-face with the parties involved, and demand answers.

"So far, they've used a feather on the corporate giants involved.

"It is time the NCSC was reminded of its duty to the public interest."

Mr Peter Dowding: The real problem is that you cannot restrain yourself from being critical of everything within your sights, including now the NCSC.

Mr HASSELL: I am not being critical of the NCSC. I am suggesting it ought to be acting more vigorously. That question has been raised in Federal Parliament, and the Treasurer's colleague, the Federal Attorney General, has expressed his own concerns. Is the Treasurer saying the Federal Attorney General is wrong?

Mr Peter Dowding: I am saying that you cannot restrain yourself from criticising everything within your sights.

Mr HASSELL: My time is short and I will not be put off because I want to get these things clearly on the record about what the Treasurer said. This is a vital issue. Thousands of people in this State have been denied an equal opportunity to sell their shares, and there are questions to be answered as to why the Government was doing that sort of deal. Is the Treasurer telling me he did not know that Mr Bond was buying 19 per cent of Bell Group?

Mr Peter Dowding: At what date?

Mr HASSELL: When the SGIC was buying 19 per cent of Bell Group?

Mr Peter Dowding: Yes.

Mr HASSELL: Is the Treasurer saying he did not know? That is interesting.

In order to get the record clear I wish to refer to some comments I made this morning when interviewed by Diana Warnock. Diana Warnock asked me whether I had any evidence that the NCSC has been conducting this investigation any differently from other investigations. I replied -

In no way are they doing it differently from other investigations, but what I would have thought, is that they would have been confronting a number of these people involved in the transactions across a table and asking them some pretty searching questions, and expecting them to answer those questions immediately, and not have the benefit of being able to go and sit down with advisers and lawyers and all sorts of clever people, and have plenty of time to prepare answers to written questions and send those back, and then may be they'll get some more after that.

I just think that in a matter that goes to so many millions of dollars in the interest of so many people, the whole thing could be a bit more vigorous in the way that things would be investigated if it were suggested that there was some offence that the police were dealing with, now this is not a situation like that, but police investigations are much more vigorous it seems to me.

Does that clarify the record for the Treasurer?

Mr Peter Dowding: It reinforces it.

Mr HASSELL: It reinforces that I never said that an offence had been committed. Diana Warnock then asked whether I was suggesting that political motives were slowing down the inquiry. I said -

No. I'm not suggesting that there are political motives. I'm not suggesting that at all. The NCSC is pursuing its inquiries. What I'm suggesting is, that it's been slow and I'm also suggesting that on the surface at least, it appears to me that the method they've approached it, is rather gentle.

She asked if I had put my concerns to the NCSC and I said, "Yes" and that the answer had been satisfactory. I concluded by putting things in the following way -

I just observe that time goes by, that all these things get set in concrete, and that the intentions of Parliament bear in mind that we are dealing here with the State Government Insurance Commission, which was created by Parliament, and it seems that the intention of that Parliament has been avoided, maybe lawfully, but avoided by the State Government Insurance Commission, which is itself a creature of the Parliament that has expressed the intention that all shareholders are treated equally and fairly in these sorts of dealings.

I also said to her on air, and repeat now, that I contacted the Chairman of NCSC, Mr Bosch, a number of weeks ago during the course of the very events as they unfolded. I had a long telephone discussion with him and I assumed that after that, even if it had not been planned beforehand, there would be someone coming over and that people would be put on the spot to answer questions in an attempt to get to the facts about how it was that these two deals took place in the way in which they did, and whether there was any public entitlement for all shareholders to be treated equally.

Perhaps, Mr Premier, you will acknowledge, having heard that, that it was a pretty straightforward and appropriate issue to raise on behalf of the public - the question of whether or not a matter of public interest and public importance was being pursued in the proper way, and vigorously as it should have been, and whether or not the National Companies and Securities Commission was being sufficiently vigorous and active in looking after those interests and was not being cowed into submission by the fact that it was dealing with a Government instrumentality that had a heavy political input from this Government, or by the fact that it was dealing with Mr Bond and Bond Corporation.

Mr Peter Dowding: What a scandalous criticism of the NCSC and Mr Holmes a Court. The member cannot restrain himself.

Mr Hassell: The Premier can say whatever he likes. I have simply raised on behalf of a lot of people the question of whether the intentions of the law are being carried out by a public instrumentality. I tell the Premier that neither the fact that Mr Bond is involved nor the fact that I have been threatened with writs - as I was today when I received a telephone call from a lawyer saying that I will receive a writ because of what I have said - will silence me; I assure you of that, Mr Speaker, because when it comes to a matter of public interest I will deal with that matter not caring who is involved. If this Government is involved in some wrongdoing with Bond Corporation, or with someone else, I will expose that and, if it happens to be uncomfortable for a private corporation or individual, that will not deter me. However, they are not my target. My target, of course, is Government responsibility, which is one of accountability to the people. These are the people I want to make accountable.

The last matter I raise is the dealings in relation to the technical college site. It is important to put on the record the fact that even now, according to my information, the full deal has not been disclosed. This deal with Packer and Anderson involved not only an interest-free \$150 million for four years, but also a commitment to a high base rent of \$400 per square metre per annum, which amount will increase by 10 per cent per annum after the building is occupied in 1991 or 1992. This is also relevant to the great profit that the Premier is claiming has been made.

It is my understanding that the Government has also entered into a \$100 million agreement to underwrite a trust related to these affairs; in other words, another secret deal has not been disclosed. Just consider the integrity of a Government which comes out with all guns blazing telling us that it has made all those millions of dollars on property deals and which tries to make out that its business dealings generally are good news because of that, only to find out

when the facts are dragged out step by step that there is a lease back deal involving a massive obligation on the part of SGIC, that there is a large interest-free loan involved, and that, in addition, there is a trust underwriting deal. It is disgraceful that these things have not been disclosed.

MR PETER DOWDING (Maylands - Premier) [8.37 pm]: There has been a dismal performance here tonight during this first opportunity for the Leader of the Opposition to display himself to the new Parliament. He did not have much of an opportunity to do so, of course, because the member for Cottesloe can never restrain himself from trying to overshadow his leader.

By and large, the member for Cottesloe gives a credible performance in terms of debating style and delivery and is clearly superior to the Leader of the Opposition in that respect. However, every time he speaks - and this has been so ever since he started in the Parliament - at the end of his speech one sees that internal nastiness come out when he starts blaming people for certain things.

In this case he has not set his sights within the borders of this State but has clearly got the NCSC in his guns. The member has said unequivocally that in his view the NCSC is not performing its job and has hinted and implied that that might well be because the NCSC was asked to make inquiries of a Government instrumentality and hence a Government, so there could be political interference in the NCSC. The member for Cottesloe cannot get away from it; there is no other implication that can be drawn from the words that he has used tonight.

That is a disgraceful attack on the NCSC and one that was absolutely uncalled for. Surely to goodness there is some measure of restraint or decency held by members of the Opposition benches in relation to the people whom they will attack, or some limitation on the things that members opposite will do and say in order to attack members on this side of the House.

Apparently the member for Cottesloe rang the NCSC in an endeavour to unsettle a commercial transaction into which a Government instrumentality was entering. It would appear that he will actually take steps to try to devalue an asset acquired by a Government instrumentality in his endeavours to get to members on this side of the House. That is an endeavour that I regard as commensurate with the sorts of excesses that we have heard from the member for Cottesloe for years - when he was a Minister and during his brief period as Leader of the Opposition when he reduced the Liberal Party to its current pretty appalling state.

Someone said something yesterday that I think appropriate to repeat tonight: Never forget that the man who just resumed his seat is the man who said that people may not gather in a public place in Western Australia to discuss a matter of public importance if they number more than three - so let us get the record right.

I paid much attention to the speech made by the Leader of the Opposition because I had hoped that he might pick up his game somewhat. It was interesting that he chose to make a speech about the SGIC. Rarely in Australia's history have there been so many important economic and social issues to discuss in Parliament and rarely before have we been at a time when we could make or break the future of Australia and Western Australia in terms of social and economic issues. Yet what does the Leader of the Opposition choose to make his first speech about? It is an attack to denigrate - let us get it clear - firstly the Government, secondly a public servant, Mr Kevin Edwards, thirdly the board of the SGIC, fourthly anybody who does any transaction with the Government, and fifthly he even brought in some criticism of Salomon Brothers, whom I do not know but I understand they are an eminently respectable international firm. None of these issues is important; the Leader of the Opposition just comes in and denigrates people.

I refer to his own policy document last week. He could not restrain himself from putting out a policy document - he thought he had better have some policies. He put out a document and blew the whole thing, firstly by being critical of the integrity of individuals who work for *The West Australian* newspaper, and secondly by suggesting that the Opposition would enjoy the prospect of reintroducing the gallows, or if not the gallows something a bit nicer - injections, tablets, or whatever. But, under the Opposition, Cabinet would be happy to sit around the table and have a chat about the nicest way to put somebody to death - Lindy

Chamberlain and people like that who have been convicted of wilful murder. She was convicted of a heinous wilful murder but it appeared subsequently that she may not actually have done it - but that would not worry the Opposition.

Members might like to know that the Opposition policy is dedicated to full consultation. Regrettably, the Leader of the Opposition did not practise what he preached and did not tell the party room what he was going to do. None of his backbenchers made any input into the policy, and some of them are cross about it. Anyway, we will have full consultation from the Leader of the Opposition.

I turn now to the issues that the Leader of the Opposition has raised.

Mr MacKinnon: It would be interesting if you did.

Mr PETER DOWDING: I want to say publicly to the House that I regard the instrumentalities and agencies of Government as having not only the right to commercial activities for managing their funds, but also an obligation to make a commercial decision about the management of their funds. The Opposition has every opportunity to examine the performance of the respective boards of these agencies when they report to Parliament. The Opposition had the SGIC's report in December last year but apparently did not bother to read it - it apparently could not work it out. There is no question that these organisations report to Parliament and their performance is scrutinised in the House, but no commercial organisation can possibly make money or act if it is to be constantly interrogated about every move. How on earth could the SGIC make a corporate disposal of an asset if it is known publicly that I have directed the SGIC to get rid of it? How can they make other than a fire sale if I direct the SGIC to get rid of a particular asset? The truth is that the SGIC has a commercial responsibility and it has indicated that its performance was satisfactory. Its performance in its annual report is satisfactory, and I believe from reports it gives me that its performance this financial year will be satisfactory.

Mr MacKinnon: With contrived profits and secret deals.

Mr PETER DOWDING: I will deal with that issue. You, Mr Deputy Speaker, will know that it has made a number of commercial decisions and a number of transactions and investments; and it will not be possible to say what the final end-of-year trading result will be and the extent to which the Opposition has any justification for criticising those figures until the end of the year. But the Opposition already wants to put up a spectre of failure.

Mr MacKinnon: You are the one claiming success on a contrived deal - a secret deal.

Mr PETER DOWDING: Let me say in relation to the property deal that the SGIC was criticised when it acquired those properties. It said at the time that it had acquired those properties at a very good commercial price. It still owns the two very valuable city properties, well placed and highly regarded, and three smaller properties, all of which are good commercial transactions. It has sold on a transaction which I am advised will return a profit, and a properly accounted profit, of \$67 million after taking into account in a properly judged way any arrangements that are involved prior to the calculation of that profit. In other words, the \$67 million is the profit that the SGIC will receive after taking into account all of the nature of that transaction - a transaction which the new owners of that property demanded should be commercially confidential.

Members can see what the Opposition wants to do. It wants to say that if anyone has dealings with the SGIC it will not let them have any commercial confidentiality. If one deals one-to-one in the business world one can properly exist on commercial confidentiality, but if one deals with the SGIC one cannot achieve that because the Opposition is going to make sure one does not, and therefore the Opposition will devalue the commercial opportunities of the SGIC. That is an incredible thing to do because in the end it is not I who benefits from the SGIC's activities, it is the people of Western Australia. I wonder whether that is not what the Opposition really dislikes, and whether it would rather these transactions were conducted for its mates rather than to benefit the people of Western Australia. That is true of the acquisition of the BHP shares which will return a commercial profit to the SGIC. It is true in relation to the property deals which have returned a commercial profit to the SGIC.

Mr MacKinnon: How can you say that you have made a profit when you guaranteed to buy them back at \$8? It is a secret society.

Mr PETER DOWDING: I think the Leader of the Opposition would have a problem with his own overdraft. It is not a secret society, because it reports to Parliament and all of the transactions will properly be before this House at the end of the year. In relation to the Bell Group acquisition, there will be a profit from that and the board of the SGIC - the Under Treasurer, Mr Wyvern Rees, and the other members of the board - have acquitted themselves remarkably well, as has the board of the State Superannuation Board under the former Auditor General.

I have already indicated that I do not think it is a long term position for a Government instrumentality to own shares in a group that has an interest in a newspaper because the Government has no interest in that.

Mr MacKinnon: Oh, no!

Mr PETER DOWDING: Of course it does not. Is the Opposition saying that Bob Cronin, or Paul Murray, or Mike Southwell, or any of the other journalists who operate in the environment that we all know, are going to be suborned by this ownership? When the Leader of the Opposition raised the issue last week he actually went further than suggesting that; he actually said, funnily, the words that the member for Cottesloe has raised in his complaint, "*The West Australian* has been less than vigorous in covering the deal." That is what he said last Thursday, and he retreated.

Mr MacKinnon: I did not retreat at all.

Mr PETER DOWDING: The Leader of the Opposition certainly did. He said he had not criticised *The West Australian* and was not suggesting anything about it but was talking about the potentiality of the situation. The Leader of the Opposition is so weak. He gets up and makes accusations outside Parliament about the responsibility of the former Premier for so-called deals, and then, an hour after being tackled about it and threatened with a writ, he has an apology put out. He says, "Oops, sorry, I did not really mean that." It is the same thing here. We have heard the way the Opposition raises innuendo. Tonight I heard suggestions that last year, for instance, Kevin Edwards had done something and instructed the R & I Bank to pay money to Teachers Credit Society. That is what the Leader of the Opposition said.

Mr Court: That was not innuendo.

Mr PETER DOWDING: That is what was said in the House. During discussions I had with the Commissioner of the R & I Bank tonight, he said that any transaction at that time was based on the commercial judgment of the bank. Specifically, the bank had no contact with Mr Kevin Edwards in April.

Mr MacKinnon: Are you saying -

Mr PETER DOWDING: I am saying that someone who was a director of the failed Teachers Credit Society ought not to be relied upon by the Opposition as someone who will give the gospel truth about matters about which he has no knowledge.

Mr MacKinnon: Are you saying that the director of the Teachers Credit Society is telling lies?

The DEPUTY SPEAKER: Order!

Mr PETER DOWDING: I want to say -

Mr MacKinnon: The director of the Teachers Credit Society said it, not me.

Mr PETER DOWDING: The Leader of the Opposition echoed it, and gave it credence. Despite that, the Leader of the Opposition never thought that he was a man who was not even privy to any of these discussions. He was in a credit society that had a line of lending from the R & I Bank, which received some advances from the R & I Bank. Why would not the R & I Bank lend money to the Teachers Credit Society?

Mr MacKinnon interjected.

Mr PETER DOWDING: The Leader of the Opposition has ended up peddling rumour.

Mr MacKinnon: It was not rumour; it was a statement of fact.

Mr PETER DOWDING: That does not make it true. That is the difficulty the Leader of the Opposition has.

Mr MacKinnon: The Treasurer is saying that he is a liar.

The DEPUTY SPEAKER: Order!

Mr PETER DOWDING: I am saying that the Commissioner of the R & I Bank has assured -

Mr MacKinnon: You are saying he is a liar.

The DEPUTY SPEAKER: Order! When I call order from this Chair, I do not want to hear the repeated interjections of one member of the Opposition - a very senior member - saying, "You're saying he is a liar". I will not tolerate that and I will take the most serious action.

Mr PETER DOWDING: In the short time left to me, I would make two points. The Opposition's contribution tonight was a series of questions but before the questions are asked, two points must be stated: One is that this agency reports to this House and will report to this House, and in due course all will be revealed. However, it cannot operate in a commercial environment if, every single time it moves or makes a decision, there are questions it has to answer. I intend to allow it that commercial freedom and confidentiality. When the Leader of the Opposition asks, "What is commercial confidentiality and why should it exist?", he simply must return to his own utterances, to which I referred yesterday, when repeatedly, in relation to a transaction in which the Leader of the Opposition lost money for the taxpayers of this State, he kept saying there was commercial confidentiality.

Finally, it is quite evident that the Opposition wants to ignore the fact that the one major loss reported recently in these documents is a loss in relation to the Halls Head investment.

Mr MacKinnon: Haven't you read the State Superannuation Board's report?

Mr PETER DOWDING: I ask: Under whose management was the Halls Head investment decision made? The truth is that the SSB and the SGIC are both doing very well. In particular the State Superannuation Board's rate of return from 1979-1980 to 1983 had a nominal rate of 11.3 per cent, and a real rate, given the inflation that the Liberals brought to this country, of 1.5 per cent. In 1983-84 to 1987, the rate of return was not 1.5 per cent but a real rate of return of 8.4 per cent. There is no question about under which Government these agencies are able to make a contribution to the people that we on this side of the House care about - the people who really are to be looked after and supported by this Government. That is, the men, women, and children of Western Australia.

MR COURT (Nedlands - Deputy Leader of the Opposition) [8.55 pm]: The Treasurer must really have had his tongue in his cheek when he finished his contribution by saying that he was interested in the ordinary men and women of Western Australia.

This Government is really on about the great WA Inc; that is, a handful of people in this State who are looked after by the Government while there are another million or so people who do not get a look in the door. The Leader of the Opposition tonight horned in on the most important political issue facing this State, which is the accountability of this Government. An important part of debating the accountability of this Government is related to the dealings of the SGIC, which is just one part of what has become known throughout the media as "WA Inc". That is a small group of Western Australian Government financial institutions and a small group of people who seem to be involved in all the deals that are done in this State. They do not fiddle around with \$1 million here and there; they do their deals in hundreds of millions of dollars. That is what is concerning the people of this State. People are concerned that the SGIC has become a political tool of this Government. The SGIC was once a very proud, independent Government institution.

Mr Donovan: And now it is a profitable one as well.

Mr COURT: It was described by a leading financial journalist, Mr Trevor Sykes, as "a gambler with the bank roll of the State's taxpayers". What a great description. The SGIC was described as a high flyer, a wheeler-dealer. That was on a radio program on 2 May 1988, which reads in part as follows -

Sykes: ... The amount they had to borrow for the various propositions they have taken on has lifted their gearing close enough to 100% - now that is very "high flying" and, by the way, it is not dissimilar from the sort of thing that brought Bell Group unstuck in the first place. They have now become a gambler with the bank roll of the State's taxpayers, if necessary.

Interviewer: And gambling to the tune where they borrow \$500m to bail out Robert Holmes a Court?

Sykes: Yes, as it turned out, one must say that they were successful on this, but when you are that highly geared you cannot afford to have any losses at all.

Interviewer: And a fairly risky strategy, wouldn't you say?

Sykes: That is high risk strategy.

So we have a situation -

Mr Marlborough: And a profitable one.

Mr COURT: The Teachers Credit Society and the Swan Building Society were desperate to improve their profit performances. They had to improve their gearing ratios and the only way they could see themselves - and the Deputy Speaker, as a former banker, knows what I am talking about - improving their asset position, to improve their gearing ratio, was to improve their profitability performance. They decided to take on some of the high risk loans. They moved into this area, and we know what happened.

The aim of the exercise was to improve its profitability to help build up its resources so that it could improve its gearing ratios. Members opposite asked me about profitability. When one has a higher risk strategy, one can make high profits, but one can also make high losses. In the case of the Teachers Credit Society and the Swan Building Society -

Dr Alexander: I thought we were talking about the SGIC.

Mr COURT: The member asked me about organisations that take high risks and whether they make high profits. I am giving him the classic example of taxpayers now forking out more than \$50 million because of those high risk strategies.

Mr Read: Some of your mates were borrowing from them.

Mr COURT: "WA Incorporated" is made up of the member's mates. In the old days the Labor Party represented the workers but nothing is further from the truth today.

As this is Small Business Week we should be thinking about how small business operates in this State. I attended a function last night with the member for Kalamunda at which it was stated that the Government is ignoring the small business community and that that community is concerned about what the Government is doing for a few big businesses.

Mr Bridge: You know that, during this week, we have put some significant plans in place for small business.

Mr COURT: I know that some very good activities have been arranged for this week and, as I said, I was at one of them last night. However, the Government is doing nothing to help those people. It is concerned only about providing hundreds of millions of dollars in bailing out its mates and getting involved in high risk strategies. Small business people want to know why they are not receiving the same treatment. Many members opposite do not know exactly what is taking place and are bewildered. I do not blame them because, as members opposite know, we have studied the financial dealings of this Government. It is not easy for us to do that with the limited information we have.

Mrs Beggs: You mean the limited ability.

Mr COURT: We have uncovered serious offences that were committed by Exim Corporation four or five years ago. That was the beginning and, after we dug deeper, we found out about Gold Rock Investments Pty Ltd. According to the Attorney General's report tabled today, it still has trouble working out what happened to Gold Rock. Five years after we raised the question of accountability of this Government, the Attorney General said that he has not been able to sight an audit opinion on the accounts of Gold Rock Investments Pty Ltd, a former subsidiary of the corporation. Further, he said that the books and records had not been made available to the corporation or to his office by that company, and nor had an audit report been sighted by his office. The Minister for Racing and Gaming interjected that we did not have any ability. If that is so, we have been doing fairly well.

Members of the Labor Party will also have difficulty following what has taken place with these dealings because of the tangled web involved. It has become very difficult to follow how the deals were put together. Leading journalists have had to sit down for weeks to try to

unravel these deals. Fortunately, financial journalists around Australia are coming to grips with the way this Government operates. It must be fun and games in caucus meetings when members try to ask questions about the funding for schools, police stations, and hospitals. It must be interesting listening to Ministers attempting to explain that there is nothing wrong with these deals but there are no funds available for the things that need to be done in the community. An amount of \$50 million was readily available to bail out TCS.

Mrs Beggs: We bailed out hundreds and hundreds of Western Australians who had money invested in the Teachers Credit Society.

The DEPUTY SPEAKER: Order!

Mr COURT: We will debate the Teachers Credit Society until the cows come home later. That is an absolute scandal and a continuing saga that will be discussed for a long time.

We are concerned about accountability and the development of the concept of "WA Incorporated".

Mr Bertram: Who wrote this for you?

The DEPUTY SPEAKER: Order! When I called for order earlier in the debate I did not call for order for the benefit only of the Leader of the Opposition or other members on his side. It will not hurt me to name a member of the Government or the Opposition. The rules relating to interjections will apply while I am in the Chair. The only voice I want to hear is that of the Deputy Leader of the Opposition.

Mr COURT: The SGIC has become a big player in these deals and the stakes are high. The Treasurer has asked us to wait for the profits. We have heard that before. Today I read through the debate on the SGIC legislation. The Government said then that it would make large profits. The Government should realise that the SGIC is not the huge financial giant that it thinks it is. Last year it had assets of approximately \$960 million and liabilities of \$880 million. It therefore has internal funds of about \$160 million - a gearing of around 94 per cent. Since then it has become involved in many deals and has become known as the financial crutch of the State's failing entrepreneurs. Is that not a terrible description of one of our great financial institutions?

An amount of \$30 million was involved in the guarantees associated with the Rothwells rescue. The SGIC made nearly \$500 million on real estate deals and the BHP shares owned by Bell. Recently, it was involved in a 19.9 per cent purchase of Bell Group for \$160 million which was funded mainly by borrowings.

Members opposite should agree that it is our duty to ask questions about the level of borrowings made to fund these purchases. The Treasurer said that he will answer these questions in due course. We do not want to wait for "due course". We waited while the Teachers Credit Society was going under. We asked the then Treasurer questions about what was going on and the losses grew. In the end the taxpayers of this State are up for huge sums of money.

People are concerned about the whole question of accountability and it is proper for the Opposition to be asking questions about these deals and it should receive the answers. The Opposition is also concerned that these deals are large in proportion to the SGIC's asset base. The Government should be leaving the financing of these entrepreneurs to the bankers. After all, that is the role of the banking community and they are the people who should carry out this sort of financing, not this Government.

The main concern the Opposition has about this latest deal - the member for Cottesloe raised it in a very correct way today - is that the deal involving the SGIC has ignored the interests of the minority shareholders. Many of them are Western Australians who were proud shareholders in that company. I remember that my grandmother, who has since passed away, was a Wigmore's shareholder and every time we drove past its office she would point to a glass window and say that it was her window. There are thousands of shareholders like that - they are proud shareholders of Bell's and they have been ignored. The SGIC has been involved in a deal which is detrimental to the minority shareholders.

Another question that must be raised is whether section 11 of the Takeover Code was infringed. It is a question which the NCSC must investigate and it has been receiving strong coverage in the Federal Parliament and in the national Press.

Mr Pearce: The NCSC will answer that in due course.

Mr COURT: As the member for Cortesloe pointed out, there are so many coincidences involved in this deal that it is right and proper that this matter be investigated. We must be reassured that the SGIC's balance sheet is in good shape; that it has not put itself at risk; that it has not overborrowed; and that it has the internal funds and profitability to support its current activities.

My next question has not been raised tonight and I would like the Treasurer to explain to the House the role of FundsCorp in the SGIC's activities. As I understand it, FundsCorp, which is a subsidiary of Western Australian Development Corporation, was to be responsible for managing the assets of the SGIC, the State Superannuation Board -

The DEPUTY SPEAKER: I ask members to have regard for Hansard. There are four private meetings taking place and it is difficult to hear. Members have, for five minutes, been very good with regard to interjections but they should not decide to change the play; that is, that they will stop the interjections because that will keep me happy, but will have little meetings in the Chamber.

Mr COURT: I am very interested to learn what role FundsCorp is actually playing. If it is involved in orchestrating the deals which have taken place we should know about them. In hindsight it will be interesting to look back at the role the SGIC has played. I first became aware that it was involved as a political arm of the Government when the Swan Building Society ran into problems. At that time some private people were prepared to rescue the Swan Building Society, but the next thing we knew was that Mr Edwards was speaking about the SGIC rescuing that society. In hindsight, the Government did not use that vehicle for that rescue operation. At that time the Opposition examined the SGIC's position - its profit performance - and it could not afford to absorb losses to the extent of between \$8 million and \$9 million which occurred in the Swan Building Society. If that was the case with a relatively small bail out it is important that the SGIC is not put at risk financially because of the big deals that are taking place.

As I said at the beginning of my speech, what we are debating tonight is the accountability of this Government. When one combines the dealings of SGIC with all those dealings of WADC, Exim, and the problems with Teachers Credit Society and the Swan Building Society one can see that there is concern in the community. One can see why the financial reputation of Western Australia has been tarnished by the activities of this Government. I do not receive any joy from picking up a national newspaper and reading about the funny dealings that are going on in Western Australia. We do not need that type of reputation - a reputation which will take many years to live down.

What we are seeing is financial mayhem in many parts of the Government's financial circles and that is something no-one can be proud of. I must admit that it is an eerie experience debating this amendment knowing that the Government owns 20 per cent of the major newspaper chain in this State. I never thought that I would live in a State where the Government owned such a large interest in a major media outlet.

With those comments, I fully support this amendment.

MR PEARCE (Armadale - Leader of the House) [9.17 pm]: In many ways the last comment by the Deputy Leader of the Opposition - I will give him his current title although I am not suggesting that the promotion which you, Mr Deputy Speaker, indicated for him is not out of range - really encapsulates the kind of mistakes which underpin the Opposition's attack in this area when he asserts a bland fact, with sinister overtones, that the Government owns 20 per cent of West Australian Newspapers Ltd.

Mr MacKinnon: Have you found anyone in the community who supports your ownership of it?

Mr Court: The AJA is concerned about it.

Mr PEARCE: Let me examine the bald statement that the Government owns 20 per cent and -

Mr Court: I am sorry - 19.9 per cent.

Mr PEARCE: That is the first point, I was coming to that. The Deputy Leader of the Opposition was asked by way of interjection from a Government backbencher about the ABC which is 100 per cent owned by Government.

Mr MacKinnon: It is set up under a different charter.

Mr PEARCE: There are a whole range of qualifications that have to be considered.

Mr Court: It is possible to control West Australian Newspapers with a 10 per cent holding. You do not have to have 50 per cent.

Mr PEARCE: I understand that. If one looks at the circumstances surrounding that business one will find that a Government agency - an independent and autonomous Government agency - acquired a proportion -

Mr MacKinnon: The SGIC is independent and autonomous?

Mr PEARCE: That is the kind of bland assertion that the Opposition makes all the time in this regard.

Mr MacKinnon: Doesn't the Act have the power to direct?

Mr PEARCE: Of course it has the power to direct, but one must point to the way in which that power to direct is used.

Mr Court: For a start, the Treasurer has to authorise their borrowings.

Mr PEARCE: The more the Opposition members say, the more they dig themselves into a hole. The Treasurer has convincingly outlined in this Parliament today that the SGIC makes its own commercial decisions about its investments. The Government would have a role to play if it believed the SGIC was acting in a commercially irresponsible way and was putting at risk funds of holders of insurance policies under the SGIC. It is this Government's strategy to leave commercial operations which operate under the aegis of the Government to make their own commercial judgments and the Government does not interfere.

That is an important difference between the way in which we see things and the way in which the Opposition articulates its view about these operations. If we consistently used the SGIC in the way that the Opposition implies - that is, for all kinds of evil motives - perhaps something would need to be watched. However, that is not the way in which this Government operates. The Opposition has not been able to demonstrate that there is anything in the various charges that it makes. I put those charges in two categories. Category one includes all the financial wheelings and dealings that are said by the Opposition to have the potential to bankrupt the State. The implication is that they will. The Opposition is full of Jeremiahs and doomsayers who are only too quick to denounce the commercial -

Mr Court: You must admit it is with good reason with some of the dealings that have gone on with TCS.

Mr PEARCE: There is quite a different arrangement with respect to TCS. The member for Nedlands tries to put a whole grab bag of things together.

Mr Court: What's different about it?

Mr PEARCE: The Teachers Credit Society was about to go broke; it is as simple as that. In that case 100 000 people would have lost their savings, in some cases life savings. The Government then played a role in putting together the R & I Bank and the Teachers Credit Society in a way that saved the life savings of those people. The SGIC bought the Bell shareholding because it saw a commercial advantage in it. The Bell company was not about to go broke. The State Government was not playing any role in bailing out the Bell group. We had no reason to do that. The life savings of hundreds of thousands of people were not involved. The SGIC made a commercial decision about how it might make a profit.

Last year when the SGIC bought BHP shares we had the same crying of doom from the Opposition benches. Members opposite said that the shares were bought above the market price and that a huge loss would be incurred. They said that the SGIC would go broke and that people would lose their policies. A few months later the shares were worth more than they were bought for and the SGIC was able to point to a profit of some \$9 million on the purchase of those shares. The commercial judgment of the directors of the State Government Insurance Corporation was far superior to the commercial judgment of the members of the

Opposition. That is as one would expect because if members of the Opposition were of a calibre to make those kinds of commercial judgments and make the profits that are necessary we might appoint members of the Opposition to the SGIC board instead of the competent business people whom we currently appoint.

Arrangements taken with respect to the SGIC are quite different from those taken with respect to groups like the Teachers Credit Society and the Swan Building Society. With respect to those societies the Government had to act in the last resort to ensure that a financial agency did not go bankrupt and thus imperil the finances of hundreds of thousands of Western Australians. Thus those two things are not comparable at all. I note that the financial acumen of the Deputy Leader of the Opposition has now deserted him and silence prevails from his corner of the ring. I am not at all surprised that that is the case.

These are the other two schisms in the argument of members opposite: First, they say that the commercial judgments are generally wrong and bad and likely to cause bankruptcy of these corporations; secondly, they say that it is all being done for some evil, underlying Government motive. I will take those two arguments separately. In our view the commercial judgments of the SGIC board are sound and the strategy that it employs is one that in general terms the Government supports. It is not one that is being employed at the direction of the Government or one that is being supervised on a day to day basis by the Government. At certain key points approvals have to be gained. When those approvals are gained they are looked at in the normal way in which the Government supervises the operations of Government agencies. Because of inflation and the need to put aside large sums of money for these organisations to ensure their prosperity, we cannot afford, particularly with groups like the State Superannuation Board, to go back to the days of the father of the Deputy Leader of the Opposition, when organisations such as the SSB made a profit of something like three per cent. We cannot accumulate the kinds of funds which are necessary to provide for superannuation of public servants well into the future with that kind of profit margin.

Mr Court: You never had debates then about the accountability of Government.

Mr PEARCE: Because he never did anything.

Mr Court: You have a short memory. You and your colleagues were critical of the way in which they were investing funds on the short term money market. Everything was done in a decent way.

Mr PEARCE: It was done without much profit.

Mr Court: You accused them of trying to make too much profit. You've got a very short memory.

Mr PEARCE: The money that was made by the State Superannuation Board was so small that huge amounts were being taken out of the State Budget each year to fund the superannuation payouts to public servants.

Mr Hassell: They will increase by a massive amount every year until after the year 2000 under your new scheme. They increase year by year, on the figures you tabled in this House.

Mr PEARCE: They do so because when in Government the Opposition failed to take account of the greying of the population. It failed to take into account the increasing numbers of public servants, earlier retirements, and the building up of a huge pool of people for whom the superannuation payments had to be made. Instead of having the State Superannuation Board accumulating into the future the kinds of funds to meet a good proportion of those payouts, the Liberal Government just left it to State Budgets knowing full well that by the year 2000 or 2010 it would be someone else's problem. If it meant that there had to be huge increases in State taxation to pay for those sorts of things, the Liberal Government members thought, "We will be gone by then; we will be drawing our own superannuation payments by then; we do not have to worry. Some poor Government in the next century can worry about it." This Government has taken a much more far sighted view of things. We seek to ensure that our financial agencies operate with a maximum of efficiency. That drives members opposite mad.

Mr Court: I would stick to transport, if I were you.

Mr PEARCE: That was not the advice I was getting from some of the member's colleagues

a bit earlier. Members opposite cannot stand the thought that Government enterprises can be made to operate effectively and efficiently. The Liberal Party is the big business party. Its members claim financial expertise, but Government agencies with huge funds and assets ate those assets away while they were under the control of the Liberal Party in Government.

Mr Court: They have become a couple of people's piggy bank, WA Incorporated.

Mr PEARCE: They have become a real piggy bank for the people of Western Australia, not merely idle assets without any value or effectiveness in terms of operating the economy of the State. That makes members opposite hurt.

The last part of the Opposition's argument is that this whole thing is done with some kind of evil intention by the Government. It is, I suppose, the prototype conspiracy theory that is so beloved by people on the opposite side. The Government's intentions are far-sighted and designed to reduce the impact on the State's economy and on the State's finances.

Mr Court: That was the former Premier's argument. It never occurred.

Mr PEARCE: It is occurring now.

Mr Court: The only so-called profits that have come out of WADC have been when they sold a block of land. It can only be sold once.

Mr PEARCE: The WADC continues to make a profit year after year. That profit is poured into the State's Budget, which means that we can afford more schools and more nurses in our hospitals.

Mr Court: You sold the Perth Tech site and you couldn't even properly fund the replacement buildings out of the money.

Mr PEARCE: We poured it into all the things that we are required to do without making the drain on taxes and charges that used to be the standard approach to the Budget under our Liberal predecessors. No-one has forgotten the way taxes and charges used to be hiked 20 per cent while inflation was running at seven per cent in July in order to fund a Budget coming up in September because of the incapacity of our Liberal predecessors to make Government assets pay their way. The Government these days takes a different approach, one which is appreciated by the people of Western Australia who see the cash benefits of it. Those cash benefits will be remarkably well demonstrated when the State Budget comes down in September of this year.

We reject the proposal to amend the Address-in-Reply in the way outlined by the Leader of the Opposition. He sang the same old weak and weary tune that he has played on his cracked instrument for something over a year. He has not been able to sell that story at any time before today and I do not believe that he will be very successful in selling it in the House this evening. It would be an insult to the intelligence of the Governor to seek to amend the Address-in-Reply in this way. Blind Freddie could see through the Opposition's arguments, and we certainly would not be party to sending such an insulting proposition to the Governor of the State.

MR LEWIS (East Melville) [9.30 pm]: I listened with interest to the responses of the Premier and Treasurer and the Leader of the House, which were very weak and very pitiful. They answered no questions and they put forward this great idea that it is necessary to have commercial confidentiality in these Government organisations, so that they can hide behind the cloak of commercial confidentiality, and they are not allowed to tell the public what is happening to taxpayers' funds. Quite frankly, the Premier is already acting like a leader of the Opposition. He has attacked the Opposition as though it were in Government; he is acting like a defeated Premier. All he does is carp and whinge about how active the Opposition is and about the initiatives it is putting in place. Why does not the Government create initiatives rather than abuse the Opposition which is showing the lead in this State at the moment?

The traditional supporters of the Labor Party are leaving it in droves. It is incredible that this wheeling and dealing Government has only two or three Ministers on the front bench who know what is happening in the share market and who understand a line of credit, a credit facility, and what happens on the stock market. All the backbenchers are scratching their heads, they know nothing about the situation because they do not understand what is going on. The far left wing of the Government's backbench is now rebelling and its members are

asking why the Labor Party's supporters are leaving in droves and do not want to be members of the party any longer. They can see that if the Government continues in this way, it is facing defeat at the next election. Why are the Labor supporters leaving in droves? The more the Government tries to defend its deals and the deals of its various organisations, the more its traditional supporters dislike it. The members of the left wing know what I am talking about because they hear it every day of the week.

Mr Tom Jones: Name a left-wing member.

Mr LEWIS: It is the whole of the backbench.

Mr Tom Jones: Which wing are you in?

Mr LEWIS: I am the mudguard, like the member for Collie.

Mr Tom Jones: You sound like a dry to me.

Mr LEWIS: I have received a letter from one of the Government's supporters, which was sent by the Armadale-Kelmscott ALP branch. It reads -

Dear Branch Colleague

Please note that our next branch meeting will be held on Monday April 18 at 7.30 pm in the electorate office of Bob Pearce.

The electorate office of Bob Pearce in Tudor Arcade, Jull Street, Armadale is used for branch meetings. This letter will interest members of the Government.

The SPEAKER: Order! I suppose the letter will be relevant to the amendment before the House, although it does not appear to be so far.

Mr LEWIS: Parts of it are.

The SPEAKER: Then refer only to those parts.

Point of Order

Mr LEWIS: This debate has ranged across the board from Teachers Credit Society, to SGIC, to Swan Building Society and so on; the majority of the Treasurer's speech dealt with the denigration of the Leader of the Opposition. If you, Mr Speaker, consider that that was germane to the debate, I do not. I ask that I be given the opportunity to speak in this debate in similar fashion to the Treasurer and the Leader of the House.

The SPEAKER: Are you saying that one of the members who has already spoken in the debate went outside the guidelines and, because he did that and was wrong, you also should be allowed to be wrong? It sounds as though that is your point of order and, if that is the case, the answer is no.

Mr MacKINNON: I think the member for East Melville is saying that the debate covers important issues relating to the SGIC which, as I said at the beginning of my remarks, are causing a great deal of disillusionment in the community at large. The member for East Melville is indicating through this letter how that disillusionment is becoming apparent even to members of the ALP.

The SPEAKER: At times during this debate any matter can be addressed, and I do not wish to be the first person to stop a member from doing that. However, an amendment is before the Chair at the moment. I do not know the contents of the letter but so far it seems to me that they do not relate to the amendment. If the member decides that the letter is relevant he may carry on; if he reaches the end of the letter and has not proved that to be the case, I shall be very disappointed in him.

Debate Resumed

Mr LEWIS: I am trying to establish that what has been going on in "Western Australia Incorporated" has caused the people of this State to lose confidence in the Government's ability to act with absolute propriety. The substance of this letter is very germane to that point. With your indulgence, Mr Speaker, I would like to continue to read this letter to the Parliament to show how the electorate of Western Australia is losing faith in the Government. The letter is from the Labor Party to its members and continues -

Many branch members have apparently not renewed their ALP membership for 1988 - so far only 22 out of a membership of 68 have done so! Members are reminded that April 30 is the deadline for membership renewals - after that date all 1987 members lose their continuity of membership and are no longer entitled to participate in party affairs.

Two-thirds of the members of one of the Labor Party's branches have deserted. Why have they deserted? Are they happy with what is going on? Are they happy with the special deals being done by the Government? The letter continues -

Recent attendance at branch meetings has been very disappointing and this, combined with the large number of people who have not renewed their membership for 1988, probably reflects a degree of disenchantment.

That is the point I am trying to make.

The SPEAKER: Order! It may have been financially reckless of those people not to pay their fees but I cannot see how that relates to the SGIC. I am happy for the member to read the letter at a later time during the debate when it is more proper but he should at the moment address himself to the amendment.

Mr LEWIS: I think Government members realise they are losing their own members and that there is a disenchantment -

Mr Court: I do not know how they got 60 members in the first place!

Mr LEWIS: The Government is aware that its own backbench members are rebelling. There is great disquiet in the Government's Caucus room about the deals that are happening. It is interesting that the former Premier, Mr Burke, said in *The West Australian* on 25 February that there would be no more financial support for financial institutions which got into trouble. Since that time \$850 million has been poured into one public company that was in financial difficulties to help bail it out.

Mr Pearce: It is not a financial institution. You cannot tell the difference between someone who pays your mortgage for you or someone who buys your house. Which financial institution is being bailed out?

Mr LEWIS: The public of Western Australia know what is going on.

Mr Court: The Bell Group is a financial institution; it has a large shareholding in a bank and finance companies.

Mr Pearce: The Bell Group is not a financial institution in terms of what the Premier was talking about. The Premier was talking about banks, building societies and credit unions.

Mr Clarko: You are a donkey if you do not know that a bank is a financial institution.

The SPEAKER: Order!

Mr LEWIS: I would like to quote from an article in *The West Australian* written by Peter Kennedy, who I think is recognised in Western Australia as one of the more astute and better political journalists.

Mr Pearce: Which 20 per cent of him does the Government own?

Mr Read: You should straighten up that wrist, push out that chest and stop being a -

Mr LEWIS: If the member contributed just once to the debate in this Parliament, it would be a miracle. The member has sat there for the two years I have been here and all he has done is interject.

Several members interjected.

The SPEAKER: Order!

Mr LEWIS: Mr Kennedy said -

No matter how hard Peter Dowding works at trying to convince the electorate that the SGIC acted independently, the perception will remain that the Government was closely involved.

We may ask how close? The Director of the Department of the Premier and Cabinet, Mr Kevin Edwards, happened to be also the acting chairman of the SGIC board when the deal was done.

Mr Pearce: What is the implication of that?

Mr LEWIS: The Government has said it does not know anything about it; it let them act independently. Mr Edwards, this powerful civil servant, is under I do not know whose control. I sometimes think the Premier is under his control. The Premier got off the aircraft after going to the Premiers' Conference and asked Mr Edwards, "What did you do?" Mr Edwards said, "Everything is okay. I have just gone out and done a \$150 million debenture deal. Do not worry about it." The Premier said, "I do not know anything about it." Mr Edwards said, "You do not have to know. We will make a profit; just trust us."

That is like the Opposition warning this Parliament 15 months ago about the Teachers Credit Society, and the then Premier sat there, as did the Leader of the House, and accused me and others on this side of trying to create a run. Everything I said that evening in defending my position has come true, and it will end up costing the taxpayers of this State over \$70 million when it washes out. The former Premier of the State, Mr Burke, stood up and vilified me and other members on this side and said we were not doing the proper thing by drawing the attention of the Parliament to what was going on.

Mr Pearce: You were not; you were trying to cause a run.

Mr LEWIS: The Leader of the House sits there with a red face and knows jolly well what I am saying is true.

Mr P.J. Smith: Can you not speak up?

Mr LEWIS: I have to speak loudly in order to be heard. Why do not Government members get up and apologise and say we were right in trying to warn the people of Western Australia, when that might have cost the State only \$20 million instead of \$60 million or \$70 million? The Government knows we are right and it is wrong.

Mr Pearce: If you had your way all those people would have lost their savings.

Mr LEWIS: If the Government had heeded the warnings of the Opposition those people's savings would not have been in jeopardy. The Government directed the R & I Bank to inject \$25 million into the TCS, but I will tell members what happened. It was being said up and down St George's Terrace that the National Bank and Westpac had a look at the balance sheets of the TCS and said, "Tut-tut; we cannot lend money on this"; and they withdrew their lines of credit. Alex Clarke ran at a hundred miles an hour to his then mate - I do not know whether he still is - the former Premier, and said the TCS was having trouble; its lines of credit were being withdrawn.

That is very funny because we knew about it, yet the wise Government did not know about it. The registrar did not know about it. The situation was so bad the then Premier had to take the responsibility for the TCS from the then Minister for Housing, Mr Wilson, who now sits there rather mute. The Minister was running around doing other things. He should have been looking at what was going on. Because of his dilatory actions and because of the former Premier's dilatory actions, this State has been encumbered with a debt of over \$70 million.

Mr Pearce: You were prepared to put at risk the savings of 100 000 people for a bit of political capital: Let us let a building society or credit union go broke; that will teach the Government a lesson.

Mr Court: There is currently an examination into the activities of certain directors and the like of the TCS. We want to see an examination into the Government's role in the collapse of the TCS.

Mr Pearce: I would like to see an examination into the Opposition's role in the collapse of the TCS.

Mr LEWIS: The Government is boasting about its fancy deal with the Eastern States' millionaires and that it has already made \$60 million up front. I have been in business long enough to know that one has not made a profit until the money is in the till or in the hip pocket. It is easy to boast about how much money one has made but we need only to talk to all those people who were entrepreneurs before 17 October, that black Tuesday, to know about paper money. There were so many millionaires running around Australia we did not know how to count them, but where are they today? They all counted their profits

beforehand, just as those dummies on the Government side are doing. The Government has not even discounted the carrying costs or done the basic accounting, and it is very glib to stand up and say the Government has made all this money. That may satisfy the dummies on the backbench who do not know anything about share trading or lines of credit or how a deal is done; the Government can snow those welfare workers out there because they would not have a clue.

Several members interjected.

Mr LEWIS: Let us look at this deal, which involved an amount of \$400 a square metre, which is about \$150 a square metre above the current market price. When will it mature? In 1992. All the smart property analysts around this town have said that there will be an excess of office space available, yet the SGIC, backed up by the State Government, says that it is a great deal. Of course it is a great deal, but not for the Government - for the entrepreneurs in the east, who are laughing. They have not put in a single dollar because the Government underwrote the deal with a 26 per cent guarantee. Everyone who has done a deal knows that if one goes to a financier and says that they have a takeout that has been underwritten by 26 per cent by the Government they cannot lend their money quickly enough and ask, "How much do you want?" These people have not paid a single dollar. They have hawked this little piece of paper around saying that the Government has underwritten this deal to the tune of \$70 million. What a brilliant deal, but for whom? For Western Australia? The Minister must be joking.

Mr Pearce: Of course it is, in the long term.

Mr LEWIS: The Minister does not have a clue. Why does he not go back to teaching school and mucking up the Education Department? He was sacked from that job because he made such a mess of it. It takes a raw backbencher to pull matters together again, and she is not doing a bad job, either.

Mr Pearce: She is doing an excellent job.

Mr LEWIS: That should be embarrassing to the Minister who just interjected.

Mr Pearce: It all comes back to exposure of the SGIC to future liability because of the actions of a Liberal Government.

Mr LEWIS: Under this SGIC deal they have taken up 35 000 square metres of office space on the Terrace, which is more than the whole of the AMP building. On 30 January there were great plans mentioned in relation to going to Mirrabooka where SGIC is to build a huge park and office complex in which to house all of its staff. It will shift them there in a year or two and when it is embarrassed about matters on the Terrace, it will ask, "What are we going to do?" They will leave Mirrabooka vacant and shoot back to town because it will be more expensive real estate. The SGIC has underwritten floor space that it will have to quadruple its staff to take up.

DR GALLOP (Victoria Park) [9.54 pm]: The member for East Melville appears as a mixture of Maxwell Smart, Malcolm Mackerras, and Jeremiah. He refuses to contribute sensibly to any debate in this Parliament.

There are two ways in which one could tackle the amendment moved by the Opposition tonight. One could outline clearly and specifically in relation to the matters raised how the Government has acted and how those actions have benefited the people of this State in quite specific terms. The Treasurer and the Leader of the House have addressed those questions. Another way to approach this issue is to put it into a broader perspective by going back to the years of Liberal Government of this State and looking at the situation that existed in 1983 when Labor came to power and drawing a few conclusions about the way in which the Burke and Dowding Governments have acted in the marketplace compared with previous Governments and drawing some conclusions from those facts.

There were two particular problems facing the State Government when it came to power in 1983. I have not referred to the first of those problems in any speech that I have made before, but it is relevant to this debate. The first problem was that too much Western Australian industry and too many of this State's resources were owned and controlled from the Eastern States. It was not easy to conduct an analysis of the situation, but from the figures available it can be shown clearly that in Western Australia there was a significant

discrepancy between income generated and income actually earned by Western Australian citizens. That was the first problem.

The second problem was referred to by the Leader of the House and the Treasurer and related to the tax base that existed for State Governments in general and for the Western Australian Government in particular. We needed to find new sources of revenue to fund all of those very useful things that we spend money on in this State. The most important activities related to improving the welfare of all citizens in this State. Those were two problems that were clear issues in the 1983 election.

If one goes back to the build-up to the 1983 election, one sees that Brian Burke, as Leader of the Opposition at that time, said that we needed new Government institutions to ensure that there was more Western Australian ownership of industry and resources in this State so that more of the income generated here stayed here and did not drift to Melbourne or Sydney, which is what was happening under the tutelage of the previous Government. The Government of Western Australia saw that there was only one way to bring about that transfer, that encouragement of Western Australian ownership, and that was to use Government power to promote capital ownership in this State and to create broader sources of revenue for the Government to meet the problems that were emerging because of fiscal stringencies. As a result of that new Government gaining power we saw the formation of new economic and Government institutions.

Mr Court: Exim.

Dr GALLOP: I am sure that the Deputy Leader can name those institutions such as the WADC, Exim and the Tourism Commission, the new institutions set up specifically to promote Western Australian ownership and growth and to widen the tax revenue base in this State.

Mr Court: Would you agree that that is legitimate?

Dr GALLOP: Of course it is a legitimate thing for a Government to do. If members opposite were not hung up by ridiculous ideology from the 19th century, they would see that there is no problem with that.

The second thing that the Burke Government did, which was a clear innovation, was to realise that if those Government institutions and existing Government institutions such as the SGIC and the Superannuation Board already in the marketplace were to work properly in that marketplace, they needed to be commercialised. This is where there is a clear difference between members on this side and members on the other side of the House - the Burke Government saw that the traditional Labor idea of Government intervention in the economy could work if it were allowed to because the experience of the past was that Liberal Governments had not believed in the ideal of Government intervention in the marketplace and therefore they had not let it work, did not want it to work, and did not want the mixed economy to work. They wanted the public sector to be seen to be the weaker half of the economy because they wanted all profits to be earned by their mates in the private sector. That is the truth of this debate.

I quote from the journal *The Futurist* in which an article titled "The New Capitalism". It is written by a professor of business administration from the George Washington University in the United States. In it he talks about one aspect of the new capitalism by reviewing State Governments in the United States, and in reviewing the political economy of most advanced capitalist countries at this time that -

There are also signs that the old adversarial business-Government relationship is being resolved as progressive corporate and civic leaders form partnerships to foster economic progress.

Wang Laboratories worked with the community in Lowell, Massachusetts, to turn this decaying mill town into a model of high-tech prosperity. A coalition of banks, hospitals, and universities made Indianapolis an international center of culture. Michigan, Massachusetts, and Pennsylvania have started labor-management-government alliances to spur economic growth. At the national level, there is interest among many politicians, businesses, and the public in forming tripartite councils to improve macroeconomic policy.

In time, the growth of business-government partnerships may produce a powerful new form of economics that combines *both* democratic collaboration and free-market competition - a system of "Democratic Free Enterprise."

Similar changes are occurring worldwide that may even defuse the tension between the extreme ideologies of the Old Capitalism and the Old Socialism.

That, in a nutshell, was the philosophy Brian Burke brought to this State in 1983. This was really the issue, and it is still the issue in tonight's debate. The Labor Party and the Labor Government is making it possible for Government instrumentalities to work, to be involved in the marketplace and act on behalf of the citizens of the State, because we accept two fundamental principles with regard to our Government instrumentalities. The first is that there should be management freedom, and any person who is serious about modern management philosophy knows the major corporations of the world are now saying we must let free enterprise work within our corporations. They are breaking up their massive hierarchical organisations and are giving power to units within their organisations. So management freedom has become a crucial element in modern management philosophy.

Secondly, the Burke and Dowding Governments have said to the Government instrumentalities operating in the marketplace, "You are not there to be the dead hand of socialism, you are there to promote the welfare of citizens and to do that you must adopt commercial objectives and raise money for the people of this State, and part of that money will return to help those citizens in their community services, their education, their roads, their railways, and so on in this State." By having Western Australian Government instrumentalities operating in the marketplace successfully on behalf of the people in this State we can guarantee - and this is something the Opposition cannot guarantee - that the Western Australian interest is promoted in the economy of this State. What guarantee can the Opposition give, with its laissez-faire, free market philosophy, that the Western Australian interest will ever be promoted? Does it matter to the Opposition that every resource in this State is taken over by Eastern States interests? Of course it does not, because the Opposition does not care. Theirs is a Liberal, laissez-faire philosophy.

On this side of the House we want Government instrumentalities in the marketplace promoting the welfare of the citizens of the State by making money on behalf of those citizens. Western Australian interests will be fostered and protected because we will see to it that the instrumentalities have been set up and structured so that they can operate on behalf of the citizens of this State. That really is the issue of debate here tonight. The Opposition cannot stand to see Government enterprises work - they cannot stand to see their 19th century philosophy proved to be totally wrong.

Of course the mixed economy can work. The Burke and Dowding Governments have shown how it can work on behalf of not only the private, capitalist interests in this State but also the ordinary workers and citizens. According to the Opposition's philosophy we should let the marketplace gobble up individual families without any intervention to ensure that the interests of the wider public are protected.

Amendment put and a division taken with the following result -

Ayes (18)

Mr Cash
Mr Clarko
Mr Court
Mr Cowan
Mr Hassell

Mr House
Mr Lewis
Mr Lightfoot
Mr MacKinnon
Mr Mensaros

Mr Schell
Mr Stephens
Mr Thompson
Mr Fred Tubby
Mr Reg Tubby

Mr Watt
Mr Wiese
Mr Maslen
(Teller)

Noes (23)

Dr Alexander
Mrs Beggs
Mr Bertram
Mr Bridge
Mr Burket
Mr Carr

Mr Cunningham
Mr Donovan
Mr Peter Dowding
Dr Gallop
Mrs Henderson
Mr Hodge

Mr Tom Jones
Dr Lawrence
Mr Marlborough
Mr Pearce
Mr Read
Mr Ripper

Mr Taylor
Mrs Watkins
Dr Watson
Mr Wilson
Mrs Buchanan (Teller)

Pairs

Ayes

Mr Williams
Mr Bradshaw
Mr Crane
Mr Blaikie
Mr Greig
Mr Grayden
Mr Trenorden

Noes

Mr Parker
Mr Grill
Mr Gordon Hill
Mr Evans
Mr P.J. Smith
Mr Troy
Mr D.L. Smith

Amendment thus negatived.

Motion Resumed

Debate adjourned, on motion by Mr Fred Tubby.

House adjourned at 10.08 pm

QUESTIONS ON NOTICE

DOCTORS

Kamien Report

1. Mr HOUSE, to the Minister for Health:
- (1) When will the Government implement the recommendations of the Kamien report into country doctors?
- (2) Does the Government intend to implement all recommendations in the report?
- (3) If not all, which recommendations will be put into practice?

Mr WILSON replied:

(1)-(3)

The Government is currently establishing a group under the chairmanship of Professor Kamien to develop a plan for the implementation of the Kamien report recommendations.

A final decision on the timing and extent to which the recommendations will be implemented will be made and the outcome of the above process has been considered.

DE FACTO RELATIONSHIPS

Select Committee

2. Mr MENSAROS, to the Minister representing the Attorney General:
- (1) Is it a fact that he is proposing to establish a Select Committee of Parliament to recommend laws especially pertaining to de facto relationships and the settlement of property and other questions arising from the dissolution of such relationships?
- (2) If so, what are the proposed terms of reference for such a Select Committee?

Mr GRILL replied:

- (1) Yes.
- (2) The terms of reference will be indicated to the Parliament at an early stage of the current session.

DE FACTO RELATIONSHIPS

Legislation

3. Mr MENSAROS, to the Minister representing the Attorney General:

Is the Government's policy to create a legal environment which treats a de facto relationship equally to married couples, thereby degrading the institution of marriage and virtually giving incentives to people to enter into de facto relationships instead of getting married?

Mr GRILL replied:

No.

CONSERVATION

Shark Bay - World Heritage Listings

4. Mr MENSAROS, to the Minister for Environment:

In view of the statement by the Federal Minister for the Environment and Tourism that "nominations for World Heritage listing re Sharks Bay will not go ahead until the Western Australian Government have evaluated the proposal", would he disclose his Government's attitude to listing the Shark Bay or any other area in Western Australia for World Heritage?

Mr PEARCE replied:

The Government has taken an environmentally responsible approach to conservation issues by adopting the Shark Bay region plan as its policy for Shark Bay. This plan provides a sound basis for the introduction of conservation programs and is strongly supported by local people.

I have given the people of Shark Bay an undertaking that the State Government will not support a World Heritage nomination unless local people agree, but I have warned them that this is an issue which cannot be ignored.

My ministerial committee on World Heritage will continue to seek advice from a working group comprising industry, conservation and local representatives, and will have discussions with the Federal Minister. Until I have obtained the full facts, I am keeping an open mind on the matter.

PERRY LAKES STADIUM

5. Mr MENSAROS, to the Minister representing the Minister for Sport and Recreation:

- (1) Will he detail the alleged plans to upgrade Perry Lakes Stadium?
- (2) What safeguards and guarantees, if any, are being proposed to avoid congestion of traffic and disturbing noise levels both detrimental to a peaceful and law-abiding neighbourhood?

Mr TAYLOR replied:

(1)-(2)

Plans for the upgrading of Perry Lakes stadium are only notional. They are not detailed and will be considered within the context of sporting commitments and environmental issues. No action is contemplated in the immediate future.

DAMS

Harris River Dam

6. Mr MENSAROS, to the Minister for Water Resources:

Would he detail the construction plans of the Harris Dam in time frame and capital expenditure, viz -

- (1) What steps have been taken so far for what capital cost?
- (2) What are the planned steps for future financial years up to commissioning, and at what cost each financial year?

Mr BRIDGE replied:

- (1) Investigation and design work has been largely completed and tenders called. Preliminary site establishment works are being constructed. These include access roads, construction of water supply and sewerage facilities and site offices. The expected cost of this work is \$1.4 million. The Department of Conservation and Land Management is currently salvaging forest products from the reservoir basin.
- (2) A contract for construction of the main dam will be awarded in August 1988. The dam will be completed ready to store water by May 1990, with supply to the great southern towns water supply scheme commencing in the 1990-91 summer. Additional works to complete the project include 10.4km of pipeline, a new water storage tank at West Bingham, together with pumping and water disinfection facilities. Expenditure in subsequent financial years is expected to be as follows -

1988-89	\$ 9.04 million
1989-90	\$19.91 million
1990-91	\$ 2.95 million

LIVESTOCK STEALING

Police

7. Mr COWAN, to the Minister for Police and Emergency Services:

- (1) How many reports of stock stealing were made during -
 - (a) 1985-86;
 - (b) 1986-87; and
 - (c) 1987 to the present?

- (2) How many convictions were made over the same time period?
- (3) What was the estimated value of stock in relation to questions (1) and (2)?
- (4) Is it the responsibility of the local police to follow up reports of stock stealing?
- (5) Is there a special stock stealing squad within the Police Department?
- (6) If yes to (5), where is it located, and how many officers are attached to the squad?

Mr TAYLOR replied:

- | | | | |
|--------|---|--|-------------|
| (1) | (a) | Reported stock theft 1985-86 | 151 |
| | (b) | Reported stock theft 1986-87 | 147 |
| | (c) | Reported stock theft 1987-13 May 1988 | 141 |
| (2) | (a) | Convictions 1985-86 | 22 |
| | (b) | Convictions 1986-87 | 17 |
| | (c) | Convictions 1987-13 May 1988 | 11 |
| (3)(1) | (a) | Value of stock stolen | \$1 001 354 |
| | (b) | Value of stock stolen | \$ 241 324 |
| | (c) | Value of stock stolen | \$ 804 734 |
| (3)(2) | (a) | Value of stock where persons convicted | \$ 104 900 |
| | (b) | Value of stock where persons convicted | \$ 38 308 |
| | (c) | Value of stock where persons convicted | \$ 154 295 |
| (4) | Initial reports are received and verified by local police who, dependent on circumstances, call in the local CIB or Stock Squad. The Stock Squad monitors stock thefts throughout the State and responds where its expertise is required. | | |
| (5) | Yes. | | |
| (6) | Midland Police Complex, Springpark Road, Midland. Two officers, Detective First Class and Detective Senior Constable. | | |

MOTOR VEHICLES *Trailer Licence XQT 058*

8. Mr MacKINNON, to the Minister for Police and Emergency Services:
- (1) To which Government agency is trailer licence number XQT 058 allocated?
- (2) For what purpose is the trailer used?

Mr TAYLOR replied:

- (1)-(2) Plate number XQT 058 was issued to the Public Works Department, for a box top trailer, in 1975 and is recorded as being returned in 1979 when the trailer was delicensed. There is no current record for this plate.

SPORTS GROUNDS *Alcoholic Drinks*

9. Mr MacKINNON, to the Minister representing the Minister for Sport and Recreation:
- (1) Has the Minister received any complaints from the general public in relation to excessive alcohol consumption at sporting events?
- (2) If so, has the Government taken any action to examine the nature and severity of this problem?
- (3) If so, when was that investigation undertaken?
- (4) What was the outcome of that inquiry?

Mr TAYLOR replied:

- (1) No.
- (2)-(4) Not applicable.

TRUCKS
Road Safety Group

10. Mr MacKINNON, to the Minister for Police and Emergency Services:

- (1) Has the Road Safety Group yet evaluated the effect of rear marker plates and rear underrun barriers on heavy vehicles as reported to me in his letter of 12 January 1988?
- (2) If not, when is it likely the group will complete this investigation?
- (3) If the Road Safety Group has now evaluated the effects of rear marker plates and underrun protection barriers, what decisions, if any, have been made in respect of these devices?

Mr TAYLOR replied:

- (1)-(3) An assessment was made comparing the benefits between rear marker plates and under-run barriers on heavy haulage vehicles. The results were forwarded to the Australian Transport Advisory Council, which recommended in favour of the rear marker plates. These recommendations have now been accepted by all States' members.

TRAFFIC LIGHTS
Installation

11. Mr MacKINNON, to the Minister for Transport:

- (1) Have traffic signals been installed at the intersection of Yangebup Road and Stock Road?
- (2) If not, when will this work commence?
- (3) When will traffic signals be installed at the intersections of -
 - (a) Barrington Street and Stock Road;
 - (b) Spearwood Avenue and Rockingham Road?

Mr PEARCE replied:

- (1)-(2) The City of Cockburn has to undertake some minor roadworks at the intersection. The Main Roads Department will follow this up with council and when completed will arrange for early installation of the traffic signals.
- (3) There are currently no plans to install traffic signals at either of these locations.

RAILWAY FARES
Concessions

12. Mr MacKINNON, to the Minister for Transport:

- (1) Has the Government made any further decisions in respect of rail fare concessions which have been considered by the Government as indicated in answers to question 362 of 1987?
- (2) If so, what are the details of those further concessions?
- (3) Has that review included a consideration to allow the use of the free pass on the interstate system as referred to in question 2843 of 26 March 1985?
- (4) If so, what was the result of that consideration?

Mr PEARCE replied:

- (1) No.

- (2) Not applicable.
- (3) Yes.
- (4) The committee reviewing travel concessions did not give high priority to the extension of the annual free trip to the interstate rail system given the competing demand for funds by other needy groups, particularly families. All concessions continue to be under consideration.

NOALIMBA

13. Mr MacKINNON, to the Minister representing the Minister for Sport and Recreation: What is the current state of the Government's plans for the proposed subdivision of the Noalimba site in Bateman?

Mr TAYLOR replied:

The first stage of the subdivision is expected to be available in one month. The second stage, which includes the police station location, is the subject of a current rezoning application.

HOMESWEST

Parkwood

14. Mr MacKINNON, to the Minister for Housing:
- (1) How much land does Homeswest currently own in the Parkwood area?
 - (2) Is any of that land currently being developed?
 - (3) If so, when did that development commence?
 - (4) How much has been spent on the development of the land?
 - (5) When is it anticipated that the land will be available for purchase?
 - (6) On what basis will the land be sold?

Mrs BEGGS replied:

- (1) One hundred and four lots, bounded by Nicol Road, Vellgrove Avenue and Willeri Drive.
- (2) Development has been completed - December 1987.
- (3) March 1987.
- (4) \$903 143.
- (5) Initially 50 lots were allocated for sale through joint venture, of which 25 lots have been sold.
- (6) Four lots allocated for Homeswest rental; 50 lots allocated to joint venture scheme - 25 sold; 50 lots reserved for public sale by either joint venture or public auction.

COMMUNITY SERVICES

Mothercraft Nurse Training

15. Mr MacKINNON, to the Minister representing the Minister for Community Services:
- (1) Has the Government yet completed the Report on Alternatives to Mothercraft Nurse Training?
 - (2) If so, who prepared the report?
 - (3) When was the report completed?
 - (4) Will the report be made public?
 - (5) (a) If so, when; and,
(b) if not, why not?

Mrs BEGGS replied:

- (1) Yes.
- (2) The report was prepared by the working group established to develop alternatives to the mothercraft course. The working group was chaired by Miss Beryl Grant, and

comprised two representatives of Ngai-a, and one each from TAFE, Nurses Board of Western Australia, Royal Australian Nursing Federation and the Department for Community Services.

(3) 24 December 1987.

(4) No.

(5) (a) Not applicable;

(b) feedback to the report has been sought from organisations which will be affected by the proposed changes.

PLANNING

Legislation

18. Mr MacKINNON, to the Minister for Planning:

(1) Has the proposed planning legislation been given final approval by the Government?

(2) Is it correct that this draft new legislation was adopted by the State Planning Commission on 5 March, 1987?

(3) When is it likely that the legislation will be introduced into the Parliament?

(4) What is the reason for the delay in the introduction of this legislation?

Mr PEARCE replied:

(1) No.

(2) Yes.

(3) Late 1988 or 1989.

(4) A submission lodged as a result of consultation with local government, other Government departments and agencies, affected professional associations and the development industries, combined with a review of the content of the draft legislation, evidenced the need for modification and refinement and further consultation with affected parties.

DRIVING LICENCES

Photographs

19. Mr MacKINNON, to the Minister for Police and Emergency Services:

(1) When is it the Government's intention to introduce photographic drivers' licences?

(2) When will full details of this proposal be made public?

Mr TAYLOR replied:

(1)-(2)

This matter is currently under consideration by Government.

PRIMARY EDUCATION

Winthrop Primary School

20. Mr MacKINNON, to the Minister for Education:

(1) Is the Winthrop Primary School listed for consideration and construction in this year's Capital Works Budget?

(2) When is the construction of the Winthrop Primary School likely to commence?

(3) Why have plans for the construction of the school not yet been finalised?

Dr LAWRENCE replied:

(1) No.

(2)-(3)

Possibly during 1989, subject to the availability of funds and further assessments of competing priorities throughout the State.

PRIMARY EDUCATION

Jandakot Primary School

21. Mr MacKINNON, to the Minister for Education:

- (1) What is the current enrolment at the Jandakot Primary School?
- (2) How many permanent classrooms are located on site at the Jandakot Primary School?
- (3) How many temporary classrooms are located on site at the Jandakot Primary School?
- (4) What plans are there to place additional classrooms on site at this school in light of enrolment pressures being experienced?
- (5) What plans, if any, are there to relocate this school, and when is that relocation, if planned, likely to take place?

Dr LAWRENCE replied:

- (1) One hundred and forty-four pupils in Years 1 to 7.
- (2) Two permanent classrooms.
- (3) Four temporary classrooms.
- (4) Temporary accommodation will be provided as necessary.
- (5) Plans are under way to relocate the school to a Hammond Road, Jandakot site possibly within the next two years.

PRIMARY EDUCATION

West Lynwood Primary School

22. Mr MacKINNON, to the Minister for Education:

- (1) Has work yet commenced on the repair work required at the West Lynwood Primary School following the fire at the school earlier this year?
- (2) When is it likely this work will be completed?
- (3) Is she aware that parents at the school are not happy with the transport arrangements which have been implemented as a consequence of the fire?
- (4) Why is it she will not make changes to these transport arrangements as requested by the parents and myself?

Dr LAWRENCE replied:

- (1) Planning and documentation have been completed and reconstruction work is imminent.
- (2) Early October 1988.
- (3) Yes.
- (4) The transport arrangements are reasonable for the short distance between the two schools and the time taken to convey the students.

ABORIGINES

Treaties, Conventions and Agreements

24. Mr MacKINNON, to the Minister for Aboriginal Affairs:

With whom will the Federal Government's compact of understanding or treaty with Aborigines that the State Government supports be concluded?

Mr BRIDGE replied:

The Western Australian Government has indicated support in principle for the concept of a compact of understanding. It has given no commitment to any specific form of support and will not do so until more detail about the compact is available.

I suggest that the Leader of the Opposition address his question to the Federal Minister for Aboriginal Affairs.

ABORIGINES
Treaties, Conventions and Agreements

25. Mr MacKINNON, to the Minister for Aboriginal Affairs:

Will the State Government's support for the Federal Government's compact of understanding or treaty with Aborigines involve a financial commitment from the State of any sort?

Mr BRIDGE replied:

The Western Australian Government has indicated support in principle for the concept of a compact of understanding. It has given no commitment to any specific form of support and will not do so until more detail about the compact is available.

POLICE
Neighbourhood Watch - Financial Aspects

26. Mr MacKINNON, to the Minister for Police and Emergency Services:

- (1) What is the Budget allocation this year for the Neighbourhood Watch program?
- (2) What was the Budget allocation for this program for the year ended 30 June 1987?
- (3) What sponsorship funds are to be provided for the program from outside sources during the year ending 30 June 1988?

Mr TAYLOR replied:

- (1) \$150 000.
- (2) \$100 000.
- (3) \$100 000. In addition substantial Police Department time and funds - which are not included in the above figure - are expended on this program. The above figures relate to direct, identifiable cost only.

WATER POLLUTION
Cockburn Sound

29. Mr MacKINNON, to the Deputy Premier:

- (1) When did the study into long-term water supply and water pollution problems in Cockburn Sound, coordinated by the Department of Resources Development, commence?
- (2) Who is carrying out the study?
- (3) In what ways will this study differ from that carried out by Wilson Sayer Core Pty Ltd in March 1987?
- (4) When will the current study be completed?
- (5) What controls currently exist on the effluent discharged by the Western Australia Meat Commission into Cockburn Sound?

Mr PARKER replied:

- (1) April 1988.
- (2) Consultants employed by Department of Resources Development.
- (3) The Wilson Sayer Core study was directed at the Coogee industrial area only.
- (4) Towards the end of 1988.
- (5) The Robb Jetty abattoirs is licensed under the Environmental Protection Act.
The controls on the effluent are -
 - (a) solid removal by separation;
 - (b) solid removal by screening;
 - (c) fat extraction and recovery by dissolved air flotation (DAF) units.

PERTH OBSERVATORY

30. Mr MacKINNON, to the Minister for Labour:

- (1) Will the Government continue to fund the Perth Observatory beyond June 1988?
- (2) If not, what are the Government's plans in relation to the further funding of the Perth Observatory?

Mr TROY replied:

- (1) Yes.
- (2) Not applicable.

FIRE BRIGADE

Exchequer Consultants

33. Mr MacKINNON, to the Minister for Police and Emergency Services:

- (1) Will the Government be releasing the consultants' report into the reorganisation of Fire Brigade services carried out by Exchequer Consultants?
- (2) If not, why not?

Mr TAYLOR replied:

- (1) No.
- (2) The report has been considered by Cabinet and those aspects of the report endorsed by Cabinet have been released publicly.

PRIMARY EDUCATION

Rostrata Primary School

34. Mr MacKINNON, to the Minister for Education:

- (1) What is the current enrolment at the Rostrata Primary School?
- (2) What is the projected enrolment at the school for the beginning of the school year in 1989, 1990 and 1991?
- (3) What plans does the Government have to relieve the enrolment pressures at this school?
- (4) When will the next primary school be built in the Willetton - Leeming area?
- (5) When is it anticipated that that school will be constructed?

Dr LAWRENCE replied:

- (1) 693 primary pupils.
- (2) 1989 - 760 primary pupils,
1990 - 800 primary pupils,
1991 - 800 primary pupils approximately.
- (3) It is planned to provide an additional six permanent teaching areas and to extend ancillary facilities.
- (4) No further Government primary school is to be built in the Willetton area. The East Leeming Primary School is to be constructed shortly to open in 1989.
- (5) See (4) above.

BUNBURY TOWER

35. Mr MacKINNON, to the Minister for The South West:

- (1) What rental is currently paid by the Government for its occupancy of the Bunbury Tower building?
- (2) How many floors of this building are occupied by the Government?
- (3) Which Government agencies or departments occupy each of those floors?

Mr GRILL replied:

- (1) \$150.82 per square metre.
- (2) Eight floors.
- (3) Podium Level -

Health Promotion Services
Titles Office
One Stop Shop
Small Business Development Corporation
Department of Sport and Recreation
Government Information Office
Change Rooms

2nd Floor -

Water Authority of WA
Amenities Facility

3rd Floor -

Water Authority of WA
Department of Services - Mail West

4th and 5th Floors -

Education Department

6th Floor -

Public Service Commission
Department of Land Administration
Department of Employment and Training
Department of Transport
WA Tourism Commission
Department of Occupational Health, Safety and Welfare
State Planning Commission
Education Department

9th Floor -

South West Development Authority
Department for Community Services

10th Floor -

Office of the Minister for the South West
Conference Room

COOGEE BEACH PROGRESS ASSOCIATION

Public Meetings

44. Mr TRENORDEN, to the Minister for Agriculture:

- (1) With reference to the meeting on 20 April 1988 organised by the Coogee Beach Progress Association, is it fact, as reported in the *Daily News* of 29 April, that he wrote a memo to one of his staff that said, in part, "Also, we need to mobilise support quickly. Alex Payne and the meat workers will be only too pleased to help us. We could and should have a great show of force here. Please see me. JFG 1/4/88."?
- (2) Did he seek the assistance of Alex Payne to rally support at that meeting?

Mr GRILL replied:

- (1) Yes.
- (2) No. The Coogee Beach Progress Association placed an advertisement in the *Fremantle Gazette* asking for people opposed to industry in Coogee to attend a public meeting. I am led to believe that it was that advertisement that rallied Alex Payne and Robb Jetty employees to the public meeting.

WATER AUTHORITY
Busselton - Lee Report

45. Mr COWAN, to the Minister for Water Resources:

- (1) Is he aware that the Lee report on the Busselton drainage district states that the Water Authority may have "miscarried its rate making power in 1986/87"?
- (2) Is the statement correct?
- (3) Is "yes", what action will he take to reimburse those who have been incorrectly rated?

Mr BRIDGE replied:

- (1) Yes.
- (2) A possible alternative view has been expressed by the Crown Law Department.
- (3) Not applicable.

CYCLING
Safety Helmets - Legislation

47. Mr HOUSE, to the Minister for Police and Emergency Services:

Is the Government intending to introduce legislation in the current session to make the wearing of safety helmets compulsory for -

- (a) young cyclists;
- (b) all cyclists?

Mr TAYLOR replied:

No. The Government sees the compulsory wearing of safety helmets for cyclists as highly desirable and will continue to strongly promote and support this objective amongst cyclists themselves and especially parents.

WESTRAIL
Freight Rates - Fuel

49. Mr COWAN, to the Minister for Transport:

- (1) Is it a fact that Westrail dropped its rate on the freight of fuel into Merredin by 1c a litre in April this year?
- (2) Is there any evidence that the reduction has been passed on to consumers?
- (3) If not, can he advise who has benefited from the freight rate reduction?

Mr PEARCE replied:

- (1) No. The effective reduction in rail freight charges for the transport of bulk fuel from Kewdale to Merredin, introduced by Westrail on 11 April 1988, was 0.5c per litre - for both diesel and motor spirit.
- (2) Before assenting to the rail rate reductions introduced by Westrail, Government had sought assurances from the Prices Surveillance Authority that the reductions would be reflected in the authority's "freight differentials", which represent the transport charge applied by the oil companies for the delivery of fuel to inland centres. The authority adjusted its differentials on 27 April 1988. In the case of Merredin the reduction in the differential was 0.5c per litre - the full freight rate reduction.
- (3) Not applicable.

TECHNICAL AND FURTHER EDUCATION
Rural Areas

50. Mr TRENORDEN, to the Minister assisting the Minister for Education with TAFE:

What was the budgeted and actual expenditure on TAFE in country areas for each of the last three years?

Mr GORDON HILL replied:

The budgeted and actual expenditure for TAFE in country areas for the past three years is as follows -

	<u>Budget</u>	<u>Actual</u>
1984-85	\$10 155 000	\$ 9 941 090
1985-86	\$12 408 000	\$12 499 922
1986-87	\$13 766 000	\$13 803 632

EDUCATION

School Attendance

51. Mr TRENORDEN, to the Minister for Education:

- (1) What is the truancy rate for non-Aboriginal children -
 - (a) in the metropolitan area; and
 - (b) in the non-metropolitan area for each of the years one to seven?
- (2) What is the truancy rate for Aboriginal children -
 - (a) in the metropolitan area; and
 - (b) in the non-metropolitan area for each of the years one to seven?

Dr LAWRENCE replied:

(1)-(2)

On the grounds of equity, it has not been the policy of the Ministry of Education to discriminate between Aboriginal and non-Aboriginal children in respect of truancy figures.

Absenteeism from Government schools in WA averages approximately eight per cent of school attenders in any one day. The percentage of absenteeism directly related to truancy would be quite variable from day to day and from school to school, but would approximate three per cent of school children.

Truancy in the non-metropolitan area for children from Years 1 to 7 would approximate one per cent of the total school attenders. This percentage however would vary with each school community.

HOUSING

New Homes - Plot Ratios

52. Mr COURT, to the Minister for Local Government:

- (1) Has the Government examined the increasing problem of new homes being built to their maximum plot ratios and of a design that seriously affects their neighbours' privacy?
- (2) If yes, is any action proposed to assist in solving this problem?

Mr CARR replied:

- (1) A small number of complaints relating to maximum plot ratio and alleged loss of privacy in new home constructions, are brought to my attention from time to time. The protection of privacy is an intention of the "R" codes in the planning system and the Uniform Building By-laws through which the plot ratio system operates. Plot ratio is designed to limit the bulk of a building and combined with minimum setbacks, is intended to control density of development in areas. The Uniform Building By-laws will be replaced late this year by the Building Code of Australia, which will deal only with building fabric issues. Matters of privacy will be dealt with by the planning control through the "R" codes.
- (2) The "R" codes are presently being reviewed and the question of discretion to local authorities to apply the provisions of the codes is being examined as part of that review. Such discretion would enable local authorities to respond to the problem referred to.

SUBMARINES

Construction

53. Mr COURT, to the Minister for Economic Development:

- (1) Will Western Australian industry be participating in the construction of the Australian Navy's new submarines?

- (2) If yes, what percentage of the total contracts will be filled by Western Australian industry?

Mr PARKER replied:

- (1) The final division of work on the new submarines will not be clear until the middle of 1989.
- (2) Not applicable.

FORESTS *Hawke Block*

54. Mr COURT, to the Minister for Conservation and Land Management:

With reference to two clearings in Hawke block near the junction of Yeagarup Road and Lake Road, map reference Warren sheet HV59 - one, just north of Yeagarup Road, approximately 45 metres by 65 metres excavated to a maximum depth of approximately 5 metres; the other, on the south side of Yeagarup Road, approximately 50 metres by 85 metres excavated to a maximum depth of approximately 3 metres - would he provide the following information -

- (1) When were these areas cleared and excavated?
- (2) Why were they cleared and excavated with apparent total removal of top soil?
- (3) What person in what department decided where they would be located?
- (4) What justification is there for clearing and excavating areas in what appears to be prime virgin karri forest?
- (5) Why have areas not been rehabilitated?
- (6) When is it intended to rehabilitate these areas and with what species?

Mr HODGE replied:

- (1) Early 1985.
- (2) To provide gravel for road construction and maintenance. The storage of removed topsoil for later rehabilitation is standard practice.
- (3) Officers of the Department of Conservation and Land Management.
- (4) See (2).
- (5) In case further gravel was required.
- (6) Winter 1988, Eucalyptus diversicolor - Karri.

STATE ENGINEERING WORKS *Assets*

57. Mr COURT, to the Minister for Works and Services:

- (1) What parts of the State Engineering Works were sold?
- (2) What assets of the State Engineering Works are still owned by the Government?
- (3) How much of the equipment used by the State Engineering Works was leased?
- (4) What were the net proceeds of the sale of the assets?
- (5) Were satisfactory arrangements made for the future employment and for the retirement of the staff?
- (6) Has any legal action been taken over technology rights either owned or used by the State Engineering Works?

Mr TROY replied:

- (1) All of the State Engineering Works except the main office building.
- (2) The main office building.
- (3) Seventeen items of major equipment.
- (4) The proceeds from the sale of assets was \$2 058 472.

- (5) Yes.
 (6) None current or foreseen.

BUSSELTON JETTY
Jetty Licence

58. Mr COURT, to the Minister for Transport:
 (1) Is he responsible for the Busselton Jetty?
 (2) If yes, which department under his control is responsible?

Mr PEARCE replied:

- (1) No. A jetty licence was issued on 26 April 1988 placing the Busselton jetty under the Shire of Busselton for care, control and maintenance.
 (2) Not applicable.

BUSSELTON JETTY
Conservation and Restoration

59. Mr COURT, to the Minister for The South West:
 (1) Were there any conditions attached to the \$500 000 given for the restoration of the Busselton Jetty?
 (2) If yes, what were these conditions?
 (3) Who was the money paid to?

Mr GRILL replied:

- (1)-(2) None, other than the funds be expended on the jetty, and an appropriate trust fund be set up and administered by a community committee. The shire has also to abide by the normal conditions of a jetty licence issued by the Department of Marine and Harbours.
 (3) Busselton Shire Council.

STATE ENERGY COMMISSION
Foreign Currency Exposure

61. Mr COURT, to the Minister for Economic Development:
 What is the current level of foreign currency exposure within the State Energy Commission?

Mr PARKER replied:

Foreign Currency Exposure of Offshore Loans valued at 30 April 1988 is as follows -

Foreign Currency		Valued at Spot Rate
(M)		(\$M)
US Dollars	423.259	558.205
Japanese Yen	58660.000	621.135
Sterling	40.000	98.780
Swiss Francs	125.000	119.027
Total		1397.147

ALUMINIUM SMELTERS
USSR Interest

63. Mr COURT, to the Minister for Economic Development:
 (1) Did the visiting Soviet delegation in April reach any agreement with the Government in relation to the establishment of an aluminium smelter?
 (2) Are the Soviets keen to invest in a smelter to guarantee supplies of aluminium for their own consumption or for sale on the international markets?

Mr PARKER replied:

- (1) The Soviet delegation which was here in April was concerned with iron ore, not aluminium.

- (2) The Soviets have had private discussions with the proponents of the aluminium smelter, and the State is only partially aware of the nature of these discussions. It is therefore at this stage too early to describe the scope of their interest in a smelter project, or to clarify the markets to which they would sell their share of aluminium metal production from such a project.

"BRUSH-MARTIN AFFAIR"

64. Mr MENSAROS, to the Minister representing the Attorney General:

- (1) Has the Solicitor General, Crown Solicitor, Crown Prosecutor or the Crown Law Department generally prepared a briefing with the arguments for and against lodging an appeal against the Brush-Martin acquittal?
- (2) If so, has he seen such a briefing and will he table it?
- (3) If not, why not?
- (4) Will the Crown appeal against the acquittal of Len Brush and Robert Martin?

Mr GRILL replied:

(1)-(4)

The Crown has no legal right of appeal on acquittals.

BUNBURY TOWER
Social Security, Department of

67. Mr BRADSHAW, to the Minister for The South West:

- (1) Was a tender submitted to the Department of Social Security to sublease office space in the Bunbury Tower?
- (2) If not, why not?

Mr GRILL replied:

(1) No.

- (2) The Department of Social Security stipulated that a minimum of 65 per cent of the office space in the new premises must be located on the ground floor. All ground floor-podium level accommodation in the Bunbury Tower had previously been leased.

HOSPITALS, RURAL
Patients - Agreement

68. Mr BRADSHAW, to the Minister for Health:

- (1) Has a new agreement been recently reached with regard to the admission of patients to country public hospitals?
- (2) Are dentists now restricted or unable to admit patients to country public hospitals?
- (3) Can dental patients be admitted only by medical practitioners?
- (4) Did any consultation occur between the Health Department and the Australian Dental Association (WA Branch)?
- (5) Under the new arrangements will the medical practitioner be responsible for a dental patient in hospital?
- (6) Will the new arrangement lead to an unnecessary increase in costs to the taxpayers?
- (7) Why have dentists been discriminated against in this way?
- (8) Will he review this policy?

Mr WILSON replied:

- (1) An agreement between the Minister for Health and the Australian Medical Association became operative on 1 January 1988. The agreement relates to medical practitioners only and includes the admission of patients by medical practitioners.

(2) No.

(3) No.

- (4) No. The agreement relates to medical practitioners, not dentists.
- (5) A medical practitioner is only responsible for patients admitted under the individual medical practitioner's care. If a dentist were to admit a patient in the dentist's own right then the dentist is responsible for the care of that patient.
- (6) No. The agreement is a wide-ranging agreement and includes appointments, medical advisory committees, obligations of practitioners and a schedule of fees for public patients in public non-teaching hospitals.
- (7)-(8) Not applicable.

HOSPITALS, RURAL

Medical Advisory Council - Agreement

69. Mr BRADSHAW, to the Minister for Health:

- (1) Has a new agreement been reached with regard to country hospitals and the make-up of the Medical Advisory Council?
- (2) Have dentists been excluded from Medical Advisory Councils?
- (3) If so, why?
- (4) Did any consultation take place with the Australian Dental Association (WA Branch)?
- (5) Will he review this agreement?

Mr WILSON replied:

- (1) An agreement between the Minister for Health and the Australian Medical Association in the provision of visiting medical services in non-teaching public hospitals in Western Australia became operative on 1 January 1988. The constitution of the medical advisory committees is covered by this agreement which relates to medical practitioners only.
- (2)-(3) Dentists are not medical practitioners and cannot be full members of the medical advisory committee. Dentists may however be invited to be ex officio members.
- (4)-(5) This agreement relates to medical practitioners only, hence the ADA was not consulted.

SILVER CHAIN

Home and Community Care - Financial Aspects

70. Mr BRADSHAW, to the Minister for Health:

- (1) How much funding has been provided to Silver Chain for the 1985-86, 1986-87 and 1987-88 years?
- (2) Does this include Home and Community Care funding?
- (3) If no to (2), how much has come from HACC?

Mr WILSON replied:

- (1)

1985-86	\$18 065 000
1986-87	\$21 122 000
1987-88	\$25 194 000
- (2) Yes.
- (3) Not applicable.

QUESTIONS WITHOUT NOTICE

PASTORAL LANDS

Elvire and Koongie Park - Aboriginal Development Commission

7. Mr BLAIKIE, to the Minister for Aboriginal Affairs:

- (1) Is it correct that the pastoral leases known as Elvire and Koongie Park have been sold to the Aboriginal Development Commission?
- (2) Can the Minister advise whether ministerial approval was granted for the sale to the Aboriginal Development Commission?

Mr BRIDGE replied:

- (1) It is correct that the properties referred to by the member for Vasse were sold.
- (2) It is further correct that ministerial approval was sought and obtained to enable the sale to proceed.

CONSUMPTION TAX

8. Dr WATSON, to the Treasurer:

Is the Treasurer confident that there is bipartisan support for the State Government's opposition to the introduction of a consumption tax?

Mr PETER DOWDING replied:

I am aware that the Opposition leader voiced his disagreement with a consumption tax, but failed to sway his colleagues at the Federal council meeting earlier this year. It was obvious to the public that federally the Liberal Party was divided and that the State party was very divided on that issue.

Mr Bradshaw: Is your party 100 per cent against it?

Mr PETER DOWDING: The member agrees with me that his party is very divided on the issue.

Mr Bradshaw: I did not say that at all.

Mr PETER DOWDING: You are not now, is that right?

Mr Bradshaw: That's right.

Mr PETER DOWDING: It has come to my attention that the member for Murchison-Eyre totally and unequivocally supports a consumption tax. In fact, he has described opponents of the tax, such as his leader, as hollow chested and limp wristed. So much for the strongest Liberal leader in a decade! Furthermore, I understand that the member for Murchison-Eyre was not content to say this in the confines of the party room; he actually wrote to the Federal President of the Liberal Party and said -

I could not concede that the wider public appreciates the hollow chested, limp wristed mixture of wet Liberal/socialism that some of our leaders offer . . .

Having seen the performance of the member for Cottesloe today trying to take the lead in debate, I can assure the House that obviously there are many on that side who share that view about the Leader of the Opposition.

PASTORAL LANDS

Elvire and Koongie Park - Pastoral Board

9. Mr BLAIKIE, to the Minister for Lands:

- (1) Will the Minister advise whether the Pastoral Board received recommendations that the Elvire and Koongie Park pastoral leases be forfeited for non-compliance with the Land Act?

(2) If so, on how many occasions?

I understand that the Minister may have some difficulty in providing the precise answer tonight. However, because of the widespread public concern, the Minister may care to make a public statement to the Parliament tomorrow if she is unable to provide the answer now.

Mrs HENDERSON replied:

(1)-(2)

I am pleased that the member for Vasse indicated that he did not expect that I would have the answer available for him tonight. I am quite happy to undertake to request from the Pastoral Board information about any correspondence it might have on those two pastoral leases. I will provide that information to the member for Vasse.

STATE GOVERNMENT INSURANCE COMMISSION

Investments

10. Dr GALLOP, to the Treasurer:

Is the Treasurer aware of constant calls from the Opposition, in particular from the Deputy Leader of the Opposition, for State instrumentalities, in particular the State Government Insurance Commission, to reveal their unrealised losses in the October share market slump?

Mr PETER DOWDING replied:

I am aware of those calls. I note that as late as February this year the Deputy Leader of the Opposition made a great song and dance about this issue. We said, as is appropriate, that these bodies report to Parliament and that the appropriate place for them to report is to the Parliament and that that is where the report would go.

The SGIC, which seems to be of some particular interest to the member for Nedlands, reported to Parliament in a report tabled in December last year; that is, some two months before the Deputy Leader of the Opposition called for this information. On page 21 of that report it is recorded that in October the SGIC had a decline in the listed value of shares of just under \$15 million, representing just 1.83 per cent of total investments. I understand that that loss has been recouped. The interesting aspect of that report is that in September 1987 - which is the last date on which fixed interest investments were valued - an increase in interest rates saw an increase in the value of those investments of more than \$28 million. Perhaps that is the reason why the Opposition did not really want to remember that the report had already been tabled in the House.

AUSTRALIAN LABOR PARTY

Teachers Credit Society - Loans

11. Mr COURT, to the Treasurer:

In light of the revelation today by a former director of the Teachers Credit Society that Mr Kevin Edwards instructed the R & I Bank to give \$25 million in loan funds to the Teachers Credit Society in late April or early May last year, will the Treasurer give an assurance that he will inquire into and report back to the Parliament on whether the Australian Labor Party received a financial donation from the Teachers Credit Society last year just after these funds were committed by the Government?

Mr PETER DOWDING replied:

I am very pleased to note that in the proper course of events there is an inquiry into matters surrounding the failure of the Teachers Credit Society. It is being conducted in the forum in which it should be conducted and not as some sort of witch-hunt in Parliament. It is being conducted in the appropriate place and the people responsible for the failure of the Teachers Credit Society will be clearly identified.

I make it clear that the Government acted with great propriety, not for any person who worked for the Teachers Credit Society, not for any person who was on the board of the Teachers Credit Society, but for the depositors who had deposited their funds in the Teachers Credit Society having regard to its status as a credit society which was supervised under the appropriate legislation. The Government acted with one purpose and one purpose only: To ensure the security of deposits, not of people to whom money had been lent by Teachers

Credit, not of people who worked for or were on the board of Teachers Credit, but of the many thousands of ordinary Western Australians who put their money in that society.

I do not recall any evidence that any of the people to whom the Teachers Credit Society lent money, in the way in which it appears it did, have been given support by the Government. However, some of those people who received very substantial loans from the Teachers Credit Society held themselves out as good friends of members opposite and were held by members opposite to be good friends of theirs.

WATER SUPPLY

Western Australia - Future Demand

12. Mr SCHELL, to the Minister for Water Resources :

What water resources are earmarked for development to meet the Water Authority's projected demand of a 100 per cent increase in water supplies for the Perth metropolitan area and an escalating demand by rural areas and the goldfields by the year 2010?

Mr BRIDGE replied:

I thank the member for Mt Marshall for some brief notice of the question and I am happy to be able to report that we are in a very assured position for the State's future needs. That is a very comfortable position for me as Minister for Water Resources. We have been through a very strenuous exercise in recent times working out a strategy designed to protect and ensure that adequate planning is in place for water supplies for rural areas. Our rural strategy is up and running and I hope - the predictions support this hope - that within the next three or four years we will be in a position to reflect upon its implementation to the point where most, if not all, of the areas in this State deficient in water have been taken into account. If that goal can be achieved it will be a tremendous step forward for rural Western Australia and I am confident that will be the case.

Ongoing plans are in place for the metropolitan area; for example, planning studies for the Perth metropolitan area were released some time ago for public comment. That study deals with the future development of the sources within and around the metropolitan area to take account of the long-term needs. The metropolitan area's needs are being looked at by way of studies, input of public views, and the establishment of strategies that take account of the immediate, short-term and long-term requirements. We are considering a number of options; for example, underground sources, hills sources, and the potential to build another dam or two to augment the existing dams.

The member for Mt Marshall can be assured that water supplies for the metropolitan area and the rural areas of Western Australia are in a very satisfactory, strong position. He can rest assured that the continuation of rains throughout this State is part of that ongoing strategy!

POLICE

Liberal Party Policy

13. Dr ALEXANDER, to the Minister for Police and Emergency Services :

Is the Minister aware of the Press statements made by the Leader of the Opposition and the member for Mt Lawley which make it clear that if elected to Government - an unlikely proposition but it may happen some time in the distant future - the Opposition will take operational control of the Police Force out of the hands of the Commissioner of Police?

Mr TAYLOR replied:

I am aware of the statement put out under the letter heading of the Leader of the Opposition, in the name of the member for Mt Lawley, in relation to operational matters that are the direct responsibility of the Commissioner of Police. Certainly one of the understandings I had when taking on the responsibility of Minister for Police and Emergency Services was that operational matters in the Police Force are, indeed, the direct responsibility of the commissioner and that he is the person to make those decisions.

Quite rightly that should be the case, and it would be very unfortunate if we had a situation in Western Australia in which any Government decided, for whatever reason, to take the operational responsibility for police matters out of the hands of the Commissioner of Police. It would seem that is exactly what the Liberal Party would do if in Government. It has been made clear in at least one Press statement that if the Liberal Party were in Government and

additional police officers were appointed, it would decide where those officers would be located. That would be a great step in the wrong direction because it would be most unfortunate if the police could be sent to different parts of Western Australia according to the whim of the Premier or the Minister of the day.

The Liberal spokesman for police matters stated in a Press release that the Western Australian Liberal Party is committed to employing additional police officers in the Port Hedland and South Hedland area. I know the Liberal Party did not consult the Commissioner of Police on the matter before making that statement. All Western Australians should be greatly concerned that if the unforeseeable happens, and in 1997 this Opposition is elected to Government, it would take operational responsibility in terms of the deployment of police officers from the Commissioner of Police and into the Government's hands. All Western Australians should be aware of that. It is against the law, as the law now stands, and I would expect the Leader of the Opposition, if not the member for Mt Lawley, to make it quite clear to the public that a Liberal Government would not take that quite dramatic and draconian step.

BELL GROUP

State Government Insurance Commission - Bond Corporation

14. Mr MacKINNON, to the Premier:

- (1) Is the Premier aware that the Federal Attorney General yesterday expressed concern in the Federal Parliament about the SGIC-Bond Corporation purchase of shares in the Bell Group on the basis that it appeared on the surface that the two groups had acted in concert, which amounts to a breach of section 11 of the Companies (Acquisition of Shares) Regulations?
- (2) Has the Premier discussed those expressed concerns or any other aspects of this deal with the Federal Attorney?

Mr PETER DOWDING replied:

(1)-(2)

I have not spoken to the Federal Attorney but, unlike the member for Cottesloe, I have faith in the NCSC. I am assured that no-one in the SGIC acted in concert with Bond Corporation and I am sure that the NCSC will have material from which it can be clearly seen that that is the case.

However, in Parliament yesterday the member for Cottesloe - he has such a high profile on the front bench that I was going to call him the Leader of the Opposition, but he has not risen to that rank again - actually had the audacity to talk about an alleged offence and to query whether the NCSC was taking adequate steps to investigate the alleged offence.

Mr Hassell: That is not what I said.

Mr PETER DOWDING: There is no alleged offence and the member for Cottesloe can have his say in due course.

Mr Hassell: The Premier is wrong, and he should get his facts right. There was no mention of an alleged offence.

Mr PETER DOWDING: I am more than happy to correct anything I have said which is wrong and I hope the member for Cottesloe will be able to repeat exactly what he did say. I make it clear that to my knowledge there was absolutely no question of any acting in concert, and I am satisfied that the NCSC will establish that in due course. What the member for Cottesloe says, and what the Federal Attorney chose to say in answer to questions in Parliament, is no more than some sort of expression of concern about the capacity of the NCSC. That is the same sort of concern that members opposite repeatedly express about the capacity of the police to investigate matters, the role of the Commissioner for Corporate Affairs to administer the Companies Code, the Ombudsman's capacity to investigate matters, and the Crown Law Department's capacity to act impartially.

It is the same message that they repeat time and time again, that somehow or other they must use this forum in order to ensure that those officers conduct themselves

properly. I absolutely reject that proposition and, quite frankly, think it is demeaning of Opposition members that they raise this matter.

SCHOOL BUILDINGS

Building and Construction - Primary Education

15. Mrs WATKINS, to the Minister for Works and Services:

Has the Government taken any initiatives to expedite its building program to ensure that new schools are operational for the commencement of the new school year?

Mr TROY replied:

For many years funding has been available for the construction of new primary schools only in the financial year that those schools were required for occupation. That created an unrealistically short construction period, resulting on a number of occasions in late completions and, of course, subsequent public dissatisfaction. The Government is taking action to improve the provision of primary schools in the 1989 academic year and subsequent years. Funding for the coming year will be made available prior to 30 June 1988 so that construction may be commenced on five new primary schools for the 1989 academic year.

Those schools are the Edney and East Leeming primary schools, which have been let for public tender. There are also documents available for Dryandra and Ballajura primary schools, which have been issued to the Building Management Authority construction operation. The documents for the South Padbury primary school will be completed soon. An ongoing program of this nature will ensure early commencement of primary school construction in future years. Extension programs are currently under consideration using the same technique.

STATE GOVERNMENT INSURANCE COMMISSION

National Companies and Securities Commission - Bell Group

16. Mr HASSELL, to the Premier:

- (1) Is the Premier aware of a statement which appeared in *The Australian* today referring to "the apparent reluctance of a State owned instrumentality, SGIC, to answer many of the NCSC's questions, particularly about its underwriting of the placement of Bell Group convertible bonds owned by Mr Holmes a Court"?
- (2) Is the SGIC reluctant to answer questions posed by the NCSC?
- (3) Is the Premier aware of any case in which the SGIC, or any of its directors or officers, has declined to answer questions posed by the NCSC?
- (4) Will the Premier give this House an unequivocal undertaking that the SGIC and its officers will comply in all respects with lawful requests of the NCSC in relation to the SGIC transaction involving Bell Group Limited?

Mr PETER DOWDING replied:

(1)-(4)

Compliance by the board with questions from the NCSC is a matter for both the board and legal advice. I understand that the board has received legal advice, has answered questions from the NCSC, and has considered further questions, and may well have answered them.

AGRICULTURAL PRODUCTIVITY

Value Added Schemes

17. Mr COWAN, to the Premier:

I am mindful of the fact that the Minister for Agriculture is not present, but I am quite sure that the Premier's length of service with a rural constituency and his great affinity for the land will enable him to tell me -

- (1) In his economic strategy developed for and on behalf of the Government, or in his speech, has he made the comment that the value of mining and agricultural products to Western Australia last year was \$8.5 billion?
- (2) What is the wide range of products that make up that total opportunity for material downstream processing and value added production?

- (3) Can the Premier advise the House what agricultural products are earmarked by the Government for downstream processing and value added production?

Mr PETER DOWDING replied:

(1)-(3)

I would have thought that it is quite obvious that a number of products are. If horticultural products are included in the broad description of agricultural products there would certainly be examples such as the potato chip industry in Manjimup.

Mr Watt: What about Albany?

Mr PETER DOWDING: I do not mind where the potatoes are chipped, but the secondary processing of a product is exemplified by the chipping industry in Manjimup. If the member wants a chipping industry in Albany -

Mr Watt: We started one before the one was started in Manjimup.

Mr PETER DOWDING: I am very pleased about that. Another example would be tree farming where there are considerable opportunities for value added schemes. I guess that there is a whole range of these things. The economic strategy is really a document designed to set an agenda. We would be grateful for whatever input the Leader of the National Party or his merry band wish to make in relation to opportunities that might fit that agenda.

It is important that there be recognition of the role of traditional industries and not just a concentration on new ones or high tech ones. The great strength of the Western Australian economy exists in those traditional industries and we should be working as part of the time period through to the end of this century to ensure that we maximise the value added to those products.

GRADUATE TAX

18. Mr CASH, to the Minister for Education:

- (1) Does the Minister support the recent announced proposal of the Federal Minister for Education to impose a graduate tax on students?
- (2) If not, has the Minister advised the Federal Government of her opposition to such a scheme, and will she state her position in relation to that proposal?

Dr LAWRENCE replied:

(1)-(2)

This is an interesting question from an Opposition that made it clear in the past that it favours an up front fee for students. Nonetheless, I am prepared to answer as far as possible at this time. I hope before asking this question the member read the Wran report, which we have been looking at carefully.

Mr Hassell: They are doing a lot of reading of the collective correspondence of the member for Murchison-Eyre.

Dr LAWRENCE: If the member wants a silly answer to a silly question, then he can have one. This is a complex proposal which deserves proper examination and which will go before Cabinet early next week. There are, as the member would know, very many views held about this proposal and other alternatives.

Several members interjected.

The DEPUTY CHAIRMAN (Mr Thomas): Order! The Chair is not prepared to allow the sorts of interjections that badger the member trying to speak. There are occasions when interjections are answered by the speaker, and they are generally then allowed. However, I am not prepared to allow the sorts of interjections that have occurred several times this evening.

Dr LAWRENCE: At the appropriate time a statement will be made by the Government.

Mr Cash: When do you think that time will be?

Dr LAWRENCE: I hope that a proposition will be put before Cabinet next week, but it depends on the amount of business involved. The Government wants to give a clear response and not the sort of mickey mouse answer that it was suggested I give.

PERTH CITY COUNCIL

Corruption

19. Mr CLARKO, to the Premier:

- (1) Is the Premier aware that the new Lord Mayor of Perth has repeated his earlier claims of corruption within the Perth City Council?
- (2) If his answer is yes, will he undertake to set up a Royal Commission to inquire immediately into this matter so as to remove these most serious allegations which impugn Western Australia's premier council and all its councillors.

Mr PETER DOWDING replied:

(1)-(2)

I understand from information that has come from my officers that the new Lord Mayor - whom I am not sure I have met and whom I have certainly not met since he assumed office - has expressed a desire to meet and discuss certain matters with me. However, I do not know what those matters are. They may well relate to the issues that the member has raised. However, I do not think that I should pre-empt that discussion by commenting on it. I assume that someone will arrange a meeting at some stage at which we will be able to discuss this matter directly.
