

## **Legislative Assembly**

Thursday, 7 May 1992

**THE SPEAKER** (Mr Michael Barnett) took the Chair at 10.00 am, and read prayers.

### **PETITION - FISHING, PEEL ESTUARY**

#### *Amateur Net Fishing Restriction Opposition*

**MR NICHOLLS** (Mandurah) [10.05 am]: I have a petition couched in the following terms -

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

We the undersigned object to the intended requirement for Amateur Fishermen to stay with their nets in the Peel Estuary.

Such a requirement will have a detrimental effect on many elderly people in the Mandurah area.

We therefore ask that the Peel Estuary be removed from the restricted area.

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

The petition bears 431 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 33.]

### **PARLIAMENTARY COMMITTEES - PUBLIC ACCOUNTS AND EXPENDITURE REVIEW COMMITTEE**

#### *Report No 23, Recommendations on the Independence of the Auditor General and the Office of the Auditor General Tabling*

**MR CATANIA** (Balcatta) [10.07 am]: I present to the House the Public Accounts and Expenditure Review Committee's report No 23 titled, "Report on the Recommendations on the Independence of the Auditor General and the Office of the Auditor General". I move -

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

The Auditor General's policy advisory committee released its report on the recommendations on the independence of the Auditor General and the Office of the Auditor General in May 1991. The Public Accounts and Expenditure Review Committee supports that committee in its promotion of an adequately resourced and independent Auditor General. The Auditor General and the Office of the Auditor General play a vital role in the accountability of Executive Government to Parliament as well as improving the resource management in the Western Australian public sector. It is a very important position and one which, justifiably, is the subject of discussion in this House and examination by the Public Accounts and Expenditure Review Committee.

I stress that the committee believes that the independence of the Auditor General from the Executive Government is paramount. It is acknowledged that there is no evidence that the independence of the Auditor General or past Auditors General has been compromised and no problems have emanated in the past. However, a closer relationship between the Auditor General and the Parliament will remove the influence by the Executive Government over the audit of the public accounts. This is considered to be the appropriate way to go in this atmosphere of accountability and what the public expects from the Parliament and the Government.

I emphasise that the essential relationship of the Auditor General to the Executive should be that of an external auditor.

**The SPEAKER:** Order! There is far too much background conversation and I ask members to desist.

Mr CATANIA: The committee supports a review of the current legislative framework within which the Auditor General and the Auditor General's Office operate. It is the committee's view that the Auditor General can be unequivocally independent, while remaining fully accountable to the elected representatives. In reaching the conclusions outlined in this report, the committee considered the developments in the independence of the Auditor General's audit function in other Australian States and in other countries, particularly New Zealand, Canada and the United Kingdom. It appears that the policy advisory committee's viewpoint is consistent with the direction of change in other States and countries.

The committee's report contains 13 recommendations which cover all aspects of the operation of the Auditor General's Office, including selection and appointment of the Auditor General, matters relating to the terms of the Auditor General's employment, delegation and relieving arrangements, independence of audit strategy, audits requested by the Treasurer and the Legislature, and various aspects of the employment of audit officers and the management issues relating to the functioning of the Auditor General's Office. Attention should be drawn to some of the very significant recommendations contained in the report.

Firstly, the subject of selection and appointment of the Auditor General attracted a lengthy and active debate in the committee. The appointment of the Auditor General in the past has been made following recommendation by the Public Service Commission to the Premier. The Parliament had no say in that selection. The policy advisory committee wants to ensure in future that Parliament has some input in that selection process, and that a recommendation is made to the Governor. The committee made a number of inquiries within and outside Australia about the procedures adopted in other places, and it was recommended that an advisory committee be set up to make recommendations or to provide a short list of names for the position. The committee felt that that advisory committee should be the Public Accounts and Expenditure Review Committee. Debate on that subject took place over a number of days, and it is also the subject of a minority report which states that the Public Accounts and Expenditure Review Committee would not be the appropriate committee to provide advice on the appointment of the Auditor General because it is a committee of the Legislative Assembly and often in the past it has been dominated by the number of Government members. However, it is significant to note that the present Public Accounts and Expenditure Review Committee is truly a bipartisan committee which consists of two Government members, one National Party member, one Liberal Party member and one Independent member. Therefore, it is significant that this bipartisan committee has recommended that the Public Accounts and Expenditure Review Committee should be the selection committee for the appointment of the Auditor General. If we adopted the suggestion in the minority report that both Houses of Parliament should be involved in the selection process, a joint House committee would be set up. At any time the members of that committee may not be able to agree on the selection of candidates and the situation could arise in which it would be necessary to refer matters to both Houses of Parliament, which would involve a very long procedure. I am sure all members are aware of how long it sometimes takes to obtain a decision from both Houses of Parliament. The procedure proposed in the minority report would be cumbersome and time consuming, and it could lead to a situation in which the appointment of a new Auditor General would not be made for many months. That is unacceptable and demonstrates the fallacies in the minority report.

The second controversial point of discussion was the tenure of the position. Under the Financial Administration and Audit Act 1985, the person appointed to that position is assured of tenure until reaching the age of 65 years. The committee decided in favour of a fixed term of appointment, recognising the necessity to achieve a balance between security and turnover. It decided a seven year term should be recommended, which would dismiss the perception that the Auditor General may be influenced by the Government of the day, and would ensure the independence of the position, as recommended in the report.

The other topic discussed at length by the committee was the termination of appointment. On certain occasions an Auditor General may be dismissed or relieved of duty. One of the important matters discussed was concern that the Auditor General and other public figures might have pecuniary interests in various organisations which may inhibit them in carrying out their duties. It was decided that before taking up the position the Auditor General should

be required to reveal his interests, and that a statement should be made annually to update that information to ensure that his duties as Auditor General did not conflict with any of his other interests as a private individual. It is a very important recommendation.

The committee also recommended that the Auditor General have the discretion to dispense with audit references which would not impact on the whole of Government or the accountability of the Government in any major way. This would have the effect of saving resources and time, and it would be of advantage to the Auditor General in those circumstances in which the Financial Administration and Audit Act specifies that audits should be carried out on Government agencies. It may not be necessary to conduct an audit for all Government agencies and these could be dispensed with at the discretion of the Auditor General. The underlying responsibility of the Auditor General is to ensure that such an audit would not impact in any way on the whole of Government accountability in any shape or form.

Another important area of discussion and recommendation in the report relates to the existing arrangement whereby requests may be made by the Treasurer for various audits to be carried out through the Auditor General's Office or by the Auditor General. The committee discussed whether this arrangement should continue and whether the Treasurer should have the right to order or dictate to the Auditor General on matters the Treasurer believes should be audited. It was recommended that the Treasurer and the Parliament retain that power, and that the Auditor General should have discretion over the matters audited. If a direct order is given by the Treasurer or the Parliament to the Auditor General, that order shall be reported to the House by the Auditor General within a practical time frame. The committee recommends that the Auditor General's independence be permitted in this area because on occasions Treasurers give orders, and under the present system an Auditor General would be required to carry out such orders, whether or not he or she believed they should be complied with. It may impinge also on financial resources of the Auditor General which could be directed to another area. It is important that the Auditor General be properly resourced.

A significant feature of the report is the recommendation that legislation separate from the Financial Administration and Audit Act be enacted to be administered by the Auditor General answerable directly to the Parliament. The Auditor General's department would then become part of the Parliament rather than part of the Public Service. A number of concerns were expressed about that which could be addressed. For instance, staff would be able to retain their promotional paths under Public Service criteria while being independent of it and responsible to the Parliament. The Auditor General's department would also be audited by an independent auditor recommended by the Governor. Therefore, the recommendation is that the Auditor General's department come under the control of the Parliament and that employees of that department retain the ability to transfer in and out of the Public Service without losing any rights or privileges.

To ensure that the Auditor General's office is accountable, an independent auditor should be appointed by the Governor to audit his department. This is an important recommendation. The committee does not in any way wish to place the Auditor General's office in a position where it is not answerable to anyone. We are seeking to make Executive Government and Parliament accountable and answerable. We are also responsible for making the Auditor General's department answerable. That can be done through the processes of the Parliament and the selection of an independent auditor to audit that department.

In conclusion, the recommendations contained in the report are far reaching and if implemented will make a significant, long term contribution to the accountability of the Western Australian public sector. I commend the report to the House.

**MR BRADSHAW** (Wellington) [10.22 am]: I will not cover the ground already covered by the member for Balcatta on this report of the Public Accounts and Expenditure Review Committee as he did a good job with what he said. The member for Avon and I submitted a minority report from the committee. Despite that we support all recommendations except one; that is, we believe that the Auditor General should be appointed by both Houses of Parliament and not just by the Legislative Assembly. That approach highlights the philosophical difference between the Labor Party and the conservative parties in their approach to the Legislative Council. The conservative parties hold the Legislative Council in high regard, believing that it plays an equal role with the Legislative Assembly in this

Parliament. Therefore we do not support the Legislative Assembly alone appointing the Auditor General.

It is important that this report is not merely printed and put on a shelf to collect dust. It makes good recommendations which I urge the Government to bring before this House for debate so that they can be accepted by the Parliament. I reiterate that it is important for the Legislative Council to play a role in the running of the Parliament. The Government may well be formed in this place, but that does not mean that the Legislative Council does not have an equal role to play in the appointment of the Auditor General, who reports to both Houses of this Parliament. I therefore urge that he be appointed by both Houses of Parliament.

**MR TRENORDEN (Avon) [10.28 am]:** The member for Wellington has said that he and I submitted a minority report from the Public Accounts and Expenditure Review Committee related to the appointment of the Auditor General. The House cannot take this report lightly. Events of the last few weeks related to problems this Parliament and you, Mr Speaker, have had, indicate that members should take the independence of the Parliament and its officers extremely seriously. The Auditor General produced a report some time ago to which the Public Accounts and Expenditure Review Committee has now responded. The committee was in agreement on all but one matter as to how the report should be dealt with. I urge members to read that report because it becomes clear that the role of the Auditor General in Western Australian parliamentary circles is a paramount one. We have been lucky over a number of years to have had good Auditors General, and the one we have now is no exception to those who preceded him.

I now turn to the minority report. I believe the members who formed the majority report showed their arrogance about the way in which they wish to conduct this Parliament. If one looks at the majority report one sees it is saying that the Auditor General is responsible to only one body; that is, Executive Government, and nobody else.

**Mr Catania:** It says "to Parliament".

**Mr TRENORDEN:** It says that the Auditor General is responsible to this House only. At the moment this House is hung, but normally one party has a majority in this place. Under those circumstances, if the Auditor General is responsible to this Chamber only, he will be responsible to the Government. That is a principle that cannot be argued, even though the member for Balcatta argued it in absolute ignorance. The majority report is an astounding one. It shows, unfortunately, the member for Balcatta's political stance more than his understanding of the Parliament.

**Mr Catania:** Stop misleading the House! It was decided that the Public Accounts and Expenditure Review Committee should seek the appointment of the Auditor General or recommend a list of names from which one could be chosen. That is the only way in which the member for Avon's minority report differed. The member's responsibility is not to accuse other members of the committee of ignorance or arrogance but to advise this House that only one recommendation was disagreed to and that was a very slight one. The member should be responsible in his address!

**Mr TRENORDEN:** The member for Balcatta is again showing his ignorance. It is a fundamental point that the appointment of the Auditor General, in the words of the majority report, is to come from this Chamber. That totally ignores the Westminster principle and the whole history of the way in which these two Houses were established. The member for Balcatta is saying that the upper House has absolutely no rights in the crediting of an officer of the Parliament. He is saying that the Parliament is this House only. That argument cannot be sustained. With all due respect to the member for Balcatta, because as members of the Public Accounts and Expenditure Review Committee we get on well, there is no basis for his argument. It is incredible that he can argue and put in a report that this House is the only place from which an Auditor General is to be appointed. That would confer on the Auditor General the powers of this House just when he has asked that his appointment be kept separate from this House! The Auditor General recommended in his original report that a combined committee of both Houses appoint the Auditor General and determine the conditions under which the Office of Auditor General shall operate. That is the reason that the recommendation of the minority report is that the Auditor General be appointed by a combined committee of both Houses. The member for Wellington and I have come to the

right decision. There is no other decision to come to. However, for some reason, the three other members of the Public Accounts and Expenditure Review Committee have decided that the Auditor General shall be answerable to this House and that his salary shall be determined by this House.

Mr MacKinnon: The Auditor General is an officer of the Parliament and not of the Legislative Assembly.

Mr TRENORDEN: Yes, and to have his salary and working conditions -

Mr Catania: Not his working conditions.

Mr TRENORDEN: Yes; it is proposed that his working conditions be determined by this House. It is normally the case that this Chamber has a majority of the Government of the day. In a year's time, it will be a different Government. The Government of the day will control the numbers on the Public Accounts and Expenditure Review Committee and will, therefore, have obscure control of the Auditor General. That is totally unacceptable. Members should have a great deal of disdain for and regard with a degree of horror the majority report of the Public Accounts and Expenditure Review Committee because it demonstrates that members opposite have not learnt a single thing over the last five years. They are still trying to control officers of the Parliament and do not want to let go of that control.

MR DONOVAN (Morley) [10.32 am]: I support the motion that the report be printed. I note by way of preface that the member for Avon and other members have an extremely short memory and have forgotten what was the balance of power between the two Houses of this Parliament and what has always been the balance of power between the two Houses when there is a conservative Government. I will talk about that in a moment.

The greatest value of this report - as the Chairman of the Public Accounts and Expenditure Review Committee has stated in more detail - is that it supports the desire of the Auditor General to be moved further away from the Public Service and into an independent role with a direct line through to the Parliament. That will elevate the role of the Parliament in its ability to scrutinise the performance of the arms of Government, and the Budget in particular. That brings me to the minority report of the members for Wellington and Avon. The first thing that members should be aware of, before they take too much to heart the comments of those members, is that the first recommendation of the report states, "The committee recommends that a motion be moved in the Legislative Assembly that the Public Accounts and Expenditure Review Committee perform the duties of selection and appointment of the Auditor General." We are not saying that the committee should say, without any consultation with the Parliament, that, "We think this is what should happen, and the Public Accounts and Expenditure Review Committee should be in charge of it." It is true that three of us do believe that, quite unapologetically, but we also hold the view that the matter should properly be the subject of debate in this place. What we have heard so far this morning has to some extent been unnecessary. It is necessary only to agree with the recommendation that seeks to have a debate in this place about the proposition that three of us are putting. There is nothing complicated, conspiratorial or devious about that.

The member for Avon has raised some matters which should not be let go so lightly this morning. The Chairman of the Public Accounts and Expenditure Review Committee has been trying to interject that it simply is not the case that we are proposing that the Auditor General be accountable only to this place. Recommendation No 1 seeks, if this House agrees after debate, to make the Public Accounts and Expenditure Review Committee responsible for the appointment of the Auditor General. That is all. Recommendation No 4 seeks to make the Public Accounts and Expenditure Review Committee responsible for determining the remuneration package of the Auditor General, with the right advice. Recommendation No 12 simply calls for the committee to make recommendations to the Governor for the appointment, fees, and so on, of the Auditor General. There is nothing devious in those recommendations. They simply recognise a basic premise of the model of the Westminster system that we have adopted in this State, regardless of what the member for Avon says, which is as follows: Government is formed in the lower House. The Budget is framed by the Premier or Treasurer, or both, and is presented in this place. Through that process, the financial stage for the Government is set.

It makes sense also to follow the tradition that is supposed to apply that the Legislative

Council acts as a House of Review and not as a "House of Initiation", notwithstanding that it has taken on more and more of that role. The Legislative Council is not a House that should determine the Budget and how the Government will spend money, nor should it have a substantial say in the business of the Public Accounts and Expenditure Review Committee, which has had an increasing and, in my view, quite proper and constructive role over the last few years in respect of the Auditor General. The upper House should continue its proper role as a House of Review, and if it is not happy with the performance of the Auditor General it has its usual channels for expressing that unhappiness and doing something about it. In any event, if the members who produced the minority report care to cast back their minds beyond the last nine years, the report simply does not make sense. The history of this State has been that when a conservative Government is in power, it has control in both Houses, and when the Labor Party is in power, it tends to have control in one House. The minority report is really saying that when any party other than a conservative party is in Government in this State, the powers of the Legislative Council should be increased, and when a conservative party is in control, the Legislative Council can, as it has done for the past 100 years, go to sleep.

**DR EDWARDS** (Maylands) [10.39 am]: I will speak only briefly. In fact, with his closing words the member for Morley stole my thunder. However, I reiterate that in the 102 years of responsible government in this State we have always had a conservative upper House, even though for half of that time there may not have been a Government of the same colour in this House. In fact, in saying they are politically unbiased in their minority report those members are politically biased.

Question put and passed.

[See paper No 129.]

#### **MINISTERIAL STATEMENT - BY THE MINISTER FOR HOUSING**

##### *Crisis Accommodation Program Allocation*

**MR MCGINTY** (Fremantle - Minister for Housing) [10.40 am] - by leave: This morning it has been my pleasure to announce jointly with the Deputy Prime Minister, Hon Brian Howe, the allocation of some \$6.7 million in a housing package for Western Australia which will help the homeless and victims of domestic violence. In total, 36 Western Australian community groups will receive this money to build or upgrade accommodation under the Commonwealth funded crisis accommodation program. Throughout Australia a little under \$40 million - a total of \$39.6 million - will be released to the States through this program. One of the important elements of this program is that \$1.8 million of the \$6.7 million allocated to Western Australia will be made available to provide innovative housing services for homeless youth under the Commonwealth's Youth Social Justice Strategy. The funds will be allocated to a wide range of community organisations offering housing and support services in Western Australia. By way of illustration I point to the allocation of \$450 000 to the Fremantle Youth Service for it to provide seven housing units, made up of three two-bedroom and four one-bedroom properties, for homeless male and female youth.

**Mr Bradshaw:** Is that long term or short term accommodation?

**Mr MCGINTY:** It is not designed to be permanent; it is basically for short term accommodation.

Of some interest to you, Mr Speaker, might be an allocation of \$260 000 to the Rockingham child and youth care trust. As you would be aware, that trust currently operates a youth refuge on a property that is below the standard of other comparable services and it has been agreed to relocate the service to a new, purpose built refuge in the new subdivision of Cooloongup.

**Mr Cowan:** Did Mt Walker get a mention?

**Mr MCGINTY:** I do not believe it did, from memory. The Salvation Army in Balga was a recipient of \$320 000 to purchase four three-bedroom properties to provide housing for families in crisis, and in Bunbury the South West Women's Refuge will be provided with a grant of \$350 000 for a purpose built refuge to assist women escaping domestic violence. Those programs will undoubtedly also have the beneficial impact of providing great stimulus to the building industry at a time when it is coming out of recession, and will hopefully contribute to a decline in the unemployment rate in Western Australia.

**MINISTERIAL STATEMENT - BY THE MINISTER FOR HOUSING**

*Homeswest - Solar Efficient House, Stratton*

**MR McGINTY** (Fremantle - Minister for Housing) [10.44 am] - by leave: Mr Speaker -

Mr Clarko: What a rotten amendment to the Standing Order this is!

Mr McGINTY: It is an excellent one. A lot of good news is coming out for members opposite and for the people of Western Australia, and I think this brief ministerial statement time is an appropriate way in which to give members opposite this good news.

Mr Clarko: It is Government propaganda, that is all.

Mr McGINTY: It is nothing of the sort.

The SPEAKER: Order! Let us start the Minister's time again.

Mr McGINTY: This morning the Minister for Fuel and Energy and I went to Stratton to open a solar efficient house and, notwithstanding the absence of the sun this morning, I am sure that the solar efficient principles of that house will be of great interest to members of this place, to the building industry and to home buyers generally. The importance of this development is that it is not a high-tech, space age, turn of the century house incorporating energy efficient principles but rather a practical house demonstrating a number of very important solar and energy efficient principles which I hope will be picked up by the building industry and by home builders in the future. The house was built by Homeswest for the purpose of seeking to continue its leadership position in the home building industry in Western Australia and to provide innovative leadership. The sorts of principles demonstrated are the north-south orientation of the house; the use of lightweight, aerated concrete blocks which maintain the cool inner temperature and deflect heat, and conversely, solid internal clay bricks which retain heat during the winter; and even the planting of trees in certain areas of the garden to reduce the effects of the afternoon summer sun.

A number of members from both this House and the other place attended this morning's opening and I am sure they were impressed with this very innovative program. In the course of the opening we urged the building industry to look closely at what was provided and to incorporate a number of these environmentally sensitive changes into the houses they build to meet the housing needs of Western Australians. We also urged home buyers to become more demanding in asking builders to incorporate these principles in their accommodation. It is not simply a question of the sorts of things that can quite often give energy efficient housing a bad name, such as wind turbines, methane gas converters and having a home hidden by solar cells; this is a very aesthetically pleasing house as well and I congratulate everybody involved in the project.

Mr Cowan: What was the additional cost?

Mr McGINTY: The house was very cost competitive in that there was not regarded to be a significant or even a marginal additional cost because the house is very practical rather than futuristic. I urge members to go to Stratton to see this very important initiative.

Mr Clarko: Stratton? The dog box? They are 350 square metres and you put a family in them.

Mr McGINTY: It is a most innovative and brilliant concept. Some people who are stuck in the past have no concept of how to go to the future. The Liberal Party is linked to the 1950s and 1960s. If its members look to the future they will be able to see why the people of Western Australia reject them: They have no vision of the future. We are talking about the future of housing in this State and the way ahead, and I urge the member to go and have a look at this house; he may well change his view.

**TREASURER'S ADVANCE AUTHORIZATION BILL**

*Second Reading*

**DR LAWRENCE** (Glendalough - Treasurer) [10.50 am]: I move -

That the Bill be now read a second time.

The Treasurer's Advance Authorization Bill authorises the Treasurer to make withdrawals from the public bank account to provide advances for authorised purposes chargeable to the

Treasurer's Advance Account within the monetary limit available for the financial year commencing 1 July 1992. The monetary limit specified in clause 4 of the Bill represents an authorisation for the Treasurer to withdraw up to \$200 million for the financing of advances in the 1992-93 financial year. This is identical to the limit which applies to the current financial year.

The purposes for which advances may be made are set out in clause 5 of the Bill and remain unchanged from those authorised in previous years. Where payments are made in respect of a new item or for supplementation of an existing item of expenditure in the Consolidated Revenue Fund or General Loan and Capital Works Fund, those payments will be chargeable against the appropriate fund pending parliamentary appropriation in the next financial year.

Members would be aware that a number of activities, such as the Building Management Authority's capital projects and works and sales accounts, and suspense stores for printing and supply services, are initially financed by way of Treasurer's Advance which is subsequently recouped from the department or statutory authority on whose behalf the work or service was performed. Advances provided for other purposes are repayable by the recipient. I commend the Bill to the House.

Debate adjourned, on motion by Mr Bradshaw.

## SUPPLY BILL

### *Second Reading*

**DR LAWRENCE** (Glendalough - Treasurer) [10.52 am]: I move -

That the Bill be now read a second time.

This measure seeks appropriation for issue and application as supply to Her Majesty of \$3 100 million for the services of the year ending 30 June 1993 pending the passage of Appropriation Bills during the Budget session of the next financial year. The Bill seeks an issue of \$2 900 million from the Consolidated Revenue Fund and \$200 million from the General Loan and Capital Works Fund. The purpose of this Bill is no different from the Supply Acts of previous years. It is an integral element of the Westminster system of Government and successive State Governments and Parliaments in Western Australia have accepted and understood that the intent of supply is to give authority for expenditure from the commencement of a new financial year pending the passing of the Consolidated Revenue Fund and General Loan and Capital Works Fund Appropriation Bills.

This Bill can be regarded as providing votes on account. It appropriates the Consolidated Revenue Fund and the General Loan and Capital Works Fund in aggregate pending the subsequent detailed appropriations. In particular, clause 4 limits to two categories the purposes for which these moneys may be issued and applied. These are to the works, services and purposes -

for which the Consolidated Revenue Fund and General Loan and Capital Works Fund were appropriated by the Parliament for the financial year ending 30 June 1992; or

in respect of which payments of an extraordinary or unforeseen nature were charged against either the Consolidated Revenue Fund or the General Loan and Capital Works Fund for the financial year ending 30 June 1992 under the Treasurer's Advance Authorization Act and the Financial Administration and Audit Act.

The Bill prescribes a general monetary limit on the drawings against both the Consolidated Revenue Fund and the General Loan and Capital Works Fund. By so doing, it overcomes the problems which otherwise could arise by prescribing monetary limits in respect of the individual appropriation items which were detailed in the 1991-92 Estimates of Expenditure. The rates of expenditure on individual projects and programs will vary between financial years. For example, new projects or programs introduced in the previous Budget, or programs of an extraordinary or unforeseen nature met under the legislative arrangements relating to the Treasurer's Advance arrangements, may have only started to gain momentum during the latter part of the current financial year and require increased expenditure thereafter, including the six months or so of the next year which has traditionally been covered by Supply, pending the passing of the Appropriation Acts.



Mr Speaker, this covers the purpose of the Bill, and I would like to conclude by commenting briefly on the current year's budgetary position and the financial outlook for 1992-93. As members would be aware, the 1991-92 Consolidated Revenue Fund Budget presented to Parliament last year provided for expenditure and revenue estimated at \$5 225 million. Given the magnitude of the total figures involved, variations to the Estimates of Revenue and Expenditure are inevitable. In particular, the continued depressed economic environment has impacted more severely on the revenue estimates than was expected when the Budget was passed.

The most recent review by Treasury indicates that taxation collections are expected to be below estimate by about \$33 million, generally reflecting the prevailing adverse economic conditions and the Government's decision to review and provide relief from land tax assessments for business properties. Due to an accounting change, railway receipts will also be down \$85.3 million against the estimate as a result of the Government Railways Amendment Act which enables Westrail to operate its accounts as a statutory authority from 1 March 1992. However, this will not have any additional impact on the Budget as the revenues retained by Westrail from 1 March will be used to meet railway operating expenses. As a result, there will be a reduction in the amount appropriated under item 151 of the Consolidated Revenue Fund Estimates of Expenditure.

Mr Speaker, the impact of this accounting change has been taken into account in assessing the amount required under Supply during 1992-93. On the expenditure side of the Budget, members would no doubt recall that projected outlays were temporarily lifted by a special estimated provision of \$50 million for payments relating to a voluntary severance scheme. The scheme will result in long term savings to future Budgets and, as I announced in the Budget speech, is to be funded by way of borrowings appropriated through the General Loan and Capital Works Fund. Based on current approvals under the voluntary severance scheme the estimated cost of direct salaries and wages is \$48 million, somewhat lower than estimated. Additional estimated outlays of \$54 million will be needed to meet accrued leave entitlements and lump sum superannuation payments. Irrespective of the borrowings that are ultimately required, the introduction of special debt repayment arrangements will be considered in framing next year's Budget to accelerate the retirement of the loan liability as early as possible.

Leaving aside redundancy related outlays, overall expenditure transactions are being held close to or within existing Budget allocations. In cases where agencies have been unable to contain expenditure to the allocation for a particular item or program, every effort is being made to achieve offsetting savings elsewhere within the Budget. Nonetheless, the achievement of a balanced Consolidated Revenue Fund result - even after allowing for special funding arrangements for the voluntary severance scheme - will not be easy, given the revenue shortfall mentioned earlier, the tight hold that was maintained on expenditure allocations when the Budget was framed and a number of unavoidable and unbudgeted expenditures that have arisen since then.

Turning to the 1992-93 fiscal period, the Government again faces a challenging task in framing its recurrent and capital works programs to address the servicing and infrastructure needs of the fastest growing State in Australia responsibly. As I stated last year when speaking to the 1991 Supply Bill, estimating revenues at any time is fraught with difficulty given the uncertainty as to when the economy will turn and how strongly it will improve - and the Commonwealth financial arrangements. The outlook for a number of our major revenues at this stage remains subdued and the Commonwealth is again likely to take a firm line at the Premiers' Conference and Loan Council meetings in respect of both recurrent and capital allocations to the States.

To assist in the more efficient allocation of scarce funds to effectively meet community needs a number of budgeting reforms are currently being considered and implemented. The central focus is a whole of Government strategic approach to the management of Government business including -

- a policy-program framework for better articulating Government policy objectives and linking them to the activities of agencies;

- a more strategic approach to resource planning and allocation through the introduction of a medium term financial planning process and forward estimates;

a revised, purpose driven annual budgeting process based on a system of rolling forward estimates and specified medium term financial targets, together with associated financial management reforms; and

mechanisms for the systematic evaluation of Government and agency programs.

A key principle underlying the whole of Government strategic approach is the development of a framework within which Government policy objectives can be articulated, and the role of individual agencies in addressing these objectives can be defined, supported and evaluated. The framework when finally bedded down should enable programs that are no longer necessary or consistent with Government policy objectives or priorities to be wound down or eliminated. Conversely, higher priority programs of Government will be allocated additional resources when inadequate funding levels are identified.

While looking at measures to reduce the overall cost of delivering Government services and programs at the least practical cost, I should stress that essential services to the public will not be cut. I commend the Bill to the House.

Debate adjourned, on motion by Mr Bradshaw.

## PORT KENNEDY DEVELOPMENT AGREEMENT BILL

### *Second Reading*

**MR TAYLOR** (Kalgoorlie - Minister for State Development) [11.00 am]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to ratify the Port Kennedy Development Agreement, and to facilitate the implementation of the development. The Port Kennedy townsite comprises an area of 700 ha to the south of Safety Bay, covering the southern peninsula of Warnbro Sound, which is known as Becher - or Long - Point. The area is currently vacant Crown land, but is occupied by some 80 or so illegal and unsightly squatters' shacks.

During the Second World War the land south of Safety Bay, including the townsite, was used by Australia as a practice anti-aircraft artillery range. Apart from a short period in 1969, when the then State Electricity Commission proposed that part of the area be set aside for a power station, it has always been identified as suitable for regional recreational use. In keeping with this, the metropolitan region scheme reserves it for public purposes.

As early as 1971 the area was planned as a recreational resort with a yacht club, hotel, shopping facilities and holiday accommodation. This plan was refined following a comprehensive report by the then Town Planning Department, and in 1978 State Cabinet approved the proposal in principle. This current development is based on the concepts outlined in that report.

The Port Kennedy area forms part of a larger precinct included in the System 6 recommendations. The System 6 conservation proposals were prepared on the understanding that the area - M106 - was to be used primarily for recreation and leisure uses, and as a result the recommendation is for M106 to be a regional park. The current development proposals broadly comply with the System 6 description of regional parks.

Following agreement by Cabinet in 1985, the State Planning Commission advertised for expressions of interest to undertake development on the Crown land in exchange for 10 ha of land, which would be converted to freehold land. This was re-advertised in 1986, with the area of freehold land being increased to 25 ha. Following detailed analysis of some 17 applications, Fleuris Pty Ltd was ultimately selected to undertake the project. The Western Australian Development Corporation later entered into a joint venture agreement with Fleuris, and participated in the preparation of a comprehensive environmental review and management program. The Minister for the Environment gave consent for the proposal to be implemented, subject to conditions, in October 1990. Following the Government decision to liquidate WADC, total responsibility for development was returned to Fleuris.

The reason for the development is to create a comprehensive recreational and leisure centre on coastal Crown land for use by the people of Western Australia, and by national and international tourists, at a minimal cost to the State. In return for a 50-year lease, with a 25 year option, of approximately 210 ha of land and the progressive granting of 25 ha of

freehold land to the company as the development proceeds, in excess of \$150 million will be spent in the area. The development on the land to be leased will include a public golf course and club house, a hotel golf course, a town centre, holiday accommodation, picnic areas and car parking. A marina, complete with moorings and jetties, will be constructed at Bridport Point. Development on the land to become freehold will consist of a five star resort hotel and residential holiday accommodation. This development is detailed in schedule 2 of the agreement. Public facilities such as car parks, toilets and picnic areas form part of the development and will be constructed by the proponents.

The principal purpose of the Bill is to ratify the agreement to authorise its implementation and to allow the progressive granting of the 25 ha of freehold land to the company. Other actions are included in the Bill to facilitate the development, such as -

The subdivision of Peel estate lots and reserves and road reserves.

The vesting of new roads and reserves in the City of Rockingham, and of A class reserves in the Department of Conservation and Land Management.

As this land has previously been used as an artillery range, should damage or injury occur through an explosion of one of these old shells on leased land, the normal remedies at law would be available and appropriate compensation could be paid. In the case of land which becomes freehold, the Bill will ensure that a memorial is placed on the titles issue so that all future landowners are aware of the situation.

The Bill involves the creation of a Port Kennedy management board, comprising representatives from the City of Rockingham, Government departments and the local community. The board will be administered by the Government and will advise the Minister on the progress of the Port Kennedy development; the progressive allocation of the freehold land; future expansion of the development; maintenance; and the coordination of environmental monitoring and any other matter relating to the Port Kennedy development as agreed to by the Minister.

The measure involves the simplification of the procedure for the removal of squatters' shacks. This will involve the notice of intention to remove the structures, the use of numbers on a registered plan to identify the structures, and a common date for the posting of notices. The avoidance of the issue of a summons if non-compliance occurs, and the ability to dispose of unclaimed materials is also included.

To allow the development to be considered appropriately by the planning agencies, future freehold land will be deemed urban until the metropolitan regional scheme and the City of Rockingham town planning scheme are amended.

The agreement is between the State of Western Australia and Fleuris Pty Ltd. It provides for the company to undertake the development outlined in schedule 2 in exchange for 25 ha of freehold land and the lease of some 210 ha of Crown land.

In view of the detailed environmental monitoring and testing requirements, two years have been allocated for the submission of all detailed proposals, either in total or separately for each part of the works. At the same time the company will be obliged to furnish to the satisfaction of the Minister evidence of, firstly, the availability of finance necessary for the carrying out and completion of the project and, secondly, the readiness of the company to undertake the work. Unless all detailed proposals by the company are approved by 30 June 1996, the Minister may give three months' notice of termination of the agreement and may terminate the agreement if the company does not respond. Notwithstanding this, the agreement terminates automatically two years after the date of the approval of the final proposal. After this termination, the development, redevelopment or expansion would be subject to the lease agreement and to normal development procedures.

On the ratification of the agreement and acceptance that the proposal can proceed, the company will pay \$500 000 to the State, and each year after that a sum will be paid equal to 0.5 per cent of the total cost of the development on leasehold and future freehold land. Upon completion of works necessary to implement the project, the State shall grant to the company leases under section 117 of the Land Act. These shall be for a 50-year term, with an option for a further 25 years at a commercial rent. Development other than that shown in schedule 2 shall be at a commercial rent after the first 25 years.

The State shall progressively grant freehold land to the company. The percentage of the 25 ha of land to be granted in terms of its value shall always be less than the percentage of expenditure by the company to complete the project - that is, until the project is completed. Assignment of more than five per cent of the issued shares of Fleuris Pty Ltd will need ministerial approval.

Variation of the agreement is possible by way of a further agreement. However, any such further agreement is to be laid on the Table of each House of Parliament. The company is not exempt from State and local government requirements, and must comply with all Commonwealth and State legislation and all applicable written law.

Regarding the recent interim listing of Port Kennedy by the Australian Heritage Commission as part of the National Estate, it should be emphasised that during discussion with the commission the proposals for Port Kennedy were clearly outlined and the area was inspected by its officers. The commission, in its media statement, acknowledged that some of the area to be listed was proposed for development, and that the State was keen to pursue this. It also stressed that listing as part of the National Estate is not a land use decision. Also, the areas that are most significant are already being set aside as public open space and conservation areas as a result of the decision by the Minister for the Environment in 1990.

To conclude, it should be emphasised that this development is aimed at providing a public leisure facility for the future that will be at a minimal cost to the State, and which will result in this sector of the coastline remaining available to the people of Western Australia. The development proposed will result in the construction of attractive, coordinated facilities, and in the proper management and protection of the more sensitive parts of the environment.

I commend the Bill to the House.

The SPEAKER: I almost put the question to proceed forthwith to the third reading!

Debate adjourned, on motion by Mr Bradshaw.

## ELECTORAL AMENDMENT (POLITICAL FINANCE) BILL

### *Committee*

The Chairman of Committees (Dr Alexander) in the Chair; Dr Gallop (Minister for Parliamentary and Electoral Reform) in charge of the Bill.

### *Points of Order*

Mr CLARKO: I ask the Chairman to consider that this Bill be dealt with somewhat differently. Sir, you would realise that clause 4 occupies 33 pages and within it are a series of sections which will become in future sections 175 to 175ZF of the Electoral Act. I request that consideration be given to treating each of those parts as a separate clause for timing purposes. This Chamber has on a number of occasions in the past dealt with Bills in a similar way.

The CHAIRMAN: I was aware that this request might be coming to the Committee. The problem is that while I agree with the member for Marmion that we have a rather odd situation as a result of the way the Bill has been drafted, under Standing Orders we cannot do what the member requires - that is, we cannot treat each of those proposed sections as a clause. Perhaps this should have been anticipated before we went into Committee. The only way we can do this legally is to go out of Committee and for the House to resume and instruct the Committee to that effect. It is not possible to treat the subclauses as clauses. We cannot suspend Standing Orders while we are in Committee.

Mr CLARKO: Mr Chairman, you made the comment that this matter should have been dealt with before the Committee stage. I did approach the Speaker a day or two ago in order to do the very thing that you are recommending.

The CHAIRMAN: I am aware of your approach to the Speaker, but I had not thought the matter through in that I assumed, incorrectly, that we could deal with the matter during the Committee stage.

Mr CLARKO: I assure the Chairman that the matter has been dealt with previously in the way that I have said. I was Chairman at the time it was done and I was given advice by learned people.

The CHAIRMAN: I have a different set of learned people and we cannot discover any precedent where it was recorded that Standing Orders had been suspended without reference to the House.

Dr GALLOP: I have no difficulty with the member for Marmion's suggestion that the Committee consider proposed new sections 175 through to 175ZF separately. If it requires us to take some steps to make it possible I am happy to do so.

*Committee Resumed*

*Progress*

Progress reported and leave given to sit again at a later stage of the sitting, on motion by Mr Clarko.

*Standing Orders Suspension-Clause 4 New Sections 175-175ZF Consideration*

DR GALLOP (Victoria Park - Minister for Parliamentary and Electoral Reform) [11.17 am]: I move -

That so much of the Standing Orders be suspended as is necessary to enable the Committee of the Whole on the Electoral Amendment (Political Finance) Bill to be empowered to consider the proposed new sections of the Act section by section.

A small problem has emerged in the way we can deal with this Bill during the Committee stage. The Bill is broken up into six clauses and one of those clauses involves a series of additions to the Electoral Act. I propose that permission be given to the Committee to consider each of those proposed sections separately - that is, sections 175 to 175ZF - in order to facilitate a proper debate of those matters during the Committee stage.

MR COURT (Nedlands) [11.19 am]: A number of Bills of this nature in relation to financial matters in the past have run into a similar problem. It has not been possible to have a proper debate on the legislation because we have been asked to cover too much material in what is a very extensive clause. The arrangement proposed during the Committee stage by the member for Marmion will enable us to have that extensive debate.

Question put and passed with an absolute majority.

*Committee*

Resumed from an earlier stage of the sitting. The Chairman of Committees (Dr Alexander) in the Chair; Dr Gallop (Minister for Parliamentary and Electoral Reform) in charge of the Bill.

**Clauses 1 to 3 put and passed.**

**Clause 4: Part VI inserted -**

**Proposed section 175: Definitions -**

Mr CLARKO: Proposed new section 175 includes the definitions. There are two with which I do not agree, the first being the definition of "electoral matter". This definition highlights the way the legislation has been drafted and the very assertive position taken by the Government in this matter. "Voting in an election" could include almost everything because almost everything is "likely to affect voting in an election". It would be impossible to decide when a member is doing something that may affect voting in an election and when he is not.

The second definition with which I do not agree is the definition of "gift". That definition is all embracing, although it excludes voluntary labour. Obviously the Government has a reason for doing that. I wonder why it is not included. What about a businessman who says he will ring electors from his office to invite them to a fundraising function for a candidate? Under this definition that would be a "gift" and should be recorded if that businessman makes more than \$200 worth of phone calls. That is a gross intrusion into the traditional campaign activities that have occurred since the beginning of our nation. A party's treasurer, for example, may take records which, in the old days, were written by hand, and put them into his computer for a candidate. That is a service, and if it is worth more than \$200 will have to be recorded. This definition is a deliberate attempt not only to prevent political parties from receiving cash and cheque donations but also from receiving sundry donations from local businesses. Business people donate their products to a wide range of worthy groups in their districts and the local candidate or member of Parliament is often included as

one of those. Many State elections are funded through functions, the most notorious of which in recent times was the sausage sizzle. Many candidates have large fundraising barbecues. In my case a baker who had established one of those lovely modern French bread shops was asked to supply several hundred rolls to be used with steak at a barbecue that was being arranged for my campaign. When the account was written, he realised it was being written for my campaign function at the local oval and he said that he would not charge such a terrific bloke - members do not have to believe the last bit - and he gave me the rolls. Whether it be liquor, soft drinks or bread rolls, if the cost amounts to more than \$200 it will have to be declared. Local market gardeners often supply the tomatoes and "letts", as many Italians call lettuce. The candidate often has no idea who has supplied that produce.

Mr Court: Certainly in summer those goods would be worth more than \$200.

Mr CLARKO: Yes; our elections are always held in summer and tomatoes are very dear at that time. These ways are traditions throughout Australia. Local communities are happy to give to the local member of Parliament and a couple of weeks later they will give to the local basketball team or to the local football team.

Mr Strickland: Some of them give to your opponent too.

Mr CLARKO: Yes, because they see that as a part of their community role. Certainly, there is nothing draconian about it. I have been a member or a candidate for 20 years and many people give me donations, some of which total \$200, and not one of these persons has ever asked for a political favour or any other favour. It is absolutely incredible that the legislation was framed using this level of funding because the question is, when does it become legal? It is important that the Government look closely at not only the size of the gift and the names and addresses which go with it, which to me is most insidious, but also the entire question of gift. I would be very wary about including goods which are given in kind. The worst thing about this legislation is the threat in the Minister's second reading speech to extend the controls on the finances of political parties and candidates. This Bill deals with income and the Minister's intention is to follow it with legislation which will control both income and expenditure. He proposes to bring in legislation which will limit how much each of us can spend on a campaign, both at the central political party level and at an individual level. I find that absolutely dreadful. The amount of money required seat by seat varies dramatically.

Mr Strickland: It reflects the difficult situation they have with fundraising after Mr Burke.

Mr CLARKO: To follow on from that, one of the problems I have had is getting over to people the difference between real political donations and political donations defined under this legislation. The articles we read in the newspaper every day - and I could quote a couple from today's paper regarding donations and Mr Burke -

The CHAIRMAN: Order! I ask the member to confine his remarks to the clause.

Mr CLARKO: There is a distinction between the two types of political donations and in this case donations means gift. Therefore, the wording of the definition of "gift" must be amended. If political parties are permitted to use voluntary labour I cannot see why they cannot have voluntary services and I have already given examples of that.

I refer now to annual subscriptions and advise the Committee that I receive an amount of \$50 from a gentleman every time there is an election campaign. I should not say that I receive the money, but that it goes to my campaign committee. This gentleman is not asked for the money, but he automatically sends it each election. That man could well be a member of my party. Under this legislation the Labor Party could ask Yosse Goldberg to become a member of the party by subscribing to it on an annual basis. He could forward \$250 each year as a subscription to that party and that would be evading the legislation. He could simply say that he is a member of the Labor Party and that he paid his subscription. He does not have to divulge the amount he paid. The legislation states that a subscription is not a gift. Therefore, I understand that a subscription of any amount can be made and it will not come under the purview of this legislation. The Minister has either a mosquito on his back or he is suffering from a dislocated vertebrae because he indicated a minute ago that I am wrong. If I am, I am more than happy for him to make the position clear because the people of this State are keen for this matter to be cleared up. This Government has built this legislation on the community's grave disquiet at what is being revealed in the Royal Commission about

political donations. Unfortunately, the public and Press do not realise that donations of this type which we, unlike members of the Labor Party, would find unacceptable will not be stopped by this legislation.

Mr COURT: If the Government wants to achieve what is set out in the Minister's second reading speech this legislation will become three inches thick, similar to the taxation laws. Each year as the various loopholes are exposed the legislation will have to be amended and it will become one of the most absurd forms of regulation in this State.

The member for Marmion described the obvious loopholes in the definition of "gift". I believe there are considerable loopholes in the definition of "political party". The Government comes into this Parliament with a Bill titled, "Electoral Amendment (Political Finance) Bill" to try to give the impression to the community that it will make public details of donations to political parties. The reality is, going on the track record not only of the Labor Party but all political parties, if there are ways around legislation, loopholes will be found. These definitions are open-ended and in the end the legislation will become farcical. As it is amended there will be a series of further regulations in an endeavour to make it work.

In my contribution to the second reading debate I made the point that the Parliament cannot legislate to make dishonest people honest. If a political party is accepting funds for favours, which is official corruption, it will, under the existing laws of the land, eventually be revealed. I did not always think that would be the case. Back in 1989-90 I was having very serious doubts about whether our legal and parliamentary systems would be fair and just. Even though what has occurred in this State has been at a considerable cost to the Liberal Party, having been in Opposition now for nine years, at the end of the day the system will prove to be fair and just. If there have been cases of official corruption they will be exposed. However, definitions such as these will not help to speed up the process of uncovering that type of corruption. As I said, each year the legislation will be brought back to the Parliament for amendment and one of the sad effects of that is that it will become more Orwellian in its nature. In a free society individuals have the freedom, after they have paid their taxes, to spend their disposable income as they see fit. If they want to support a person who is standing for Parliament they should have the freedom to do so without big brother watching them.

Later we will be debating the amount of money considered reasonable for political donations and amendments will be moved to make it a satisfactory amount. The definition clause of this Bill is a major problem and it will be amended year after year. The system becomes more complicated when there is a need to simplify it.

Mr KIERATH: Would the definition of the word "gift" include a situation in which someone is seconded from another organisation? The trade union movement is a classic example. During the course of an election campaign many people who have full time positions in unions could engage in election campaign activities for the Labor Party. Would they be classed as volunteer labour? At election time the resources of many trade unions are marshalled for use by the Australian Labor Party. I am not suggesting there is anything wrong with that because everyone knows that the ALP is the political wing of the trade union movement. However, I am concerned that most of the definitions are designed to disadvantage other parties while retaining the current privileges of the ALP. If the Government were fair, it would apply the same rules to the ALP that it applies to other political parties. The trade union movement can muster an enormous number of resources for the ALP, such as manpower, facilities, membership lists and the general use of all methods of communication. Many services and facilities, including goods in kind, can be provided to political parties in election campaigns. A definition in this area should be aiming to expose the big donations and the funds supplied for favours. It should not be aiming at the smaller stuff. Much of this Bill is about perceptions rather than reality. The Bill will not change the scene. It will not cut off the lifeline of the ALP which is the affiliation fees of the trade union movement. The Government wants one rule for the ALP and another rule for everyone else. These definitions are designed to put hurdles in front of some political parties while retaining advantages for the ALP.

Dr GALLOP: Some points were made about the definitions included in this Bill, although general points were also made about the principles of the Bill rather than the definitions. It was revealing that the member for Riverton said that this Bill is more about perceptions than

reality and that it would not solve the problems. If that is the case, I wonder why such hostility is being shown towards the legislation. An issue was raised in respect of the definition of "electoral matter". A very important part of the disclosure is to catch those situations in which other persons, as defined in this Bill, make contributions to the process. It is important that those contributions be included if there is to be a proper disclosure of donations to the political process and, of course, an electoral matter is part of that process. It becomes necessary to define those matters for which expenditure is made and funds are raised and which need to be covered by the disclosure provisions. It is important to include a definition to cover those other people who contribute to the process.

Mr Clarko: Where do you draw the line between what is likely to affect an election and what is not likely to affect an election?

Dr GALLOP: The member for Marmion has been a member of this Parliament since 1974 and he knows that with the great complexity of human life it is difficult to impose a simple set of laws that will cover all circumstances. Legislators try to do that, but commonsense will determine where to draw that line, as it determines many other areas.

There will always be a problem on the question of gifts, which is a difficult area. In respect of the definition of "gift" a distinction is made between volunteer labour by people who help parties and candidates to distribute leaflets, fold letters, and so on, and services offered for which there is a clear value. If there is a clear value for services offered, it would be incumbent on the candidate or party to declare that value if it were above the thresholds determined in the legislation.

In respect of subscriptions, the Opposition has invented a potential loophole by suggesting that a political party could invent a subscription with a high figure and escape the provisions of this Bill. I suppose that is theoretically possible but the intent of the legislation is quite clear; that is, to capture the normal subscriptions made to political parties and indicate that it is not necessary to disclose them. Should a particular problem emerge in respect of the definition when the Bill is in place in the community, it would be exposed by the requirement for the political parties to declare all donations. The publicity surrounding a political party trying to use that tactic -

Mr Clarko: How would it be disclosed?

Dr GALLOP: The political party would be required to disclose all sources of revenue and anyone reading the disclosure would recognise that a massive amount of income had been received by the party for which no clear definition was provided.

Mr Clarko: The Liberal Party once had 20 000 members at a time when the Labor Party had only a few hundred and, therefore, our subs were much higher.

Dr GALLOP: Therefore, in the process of declaring income that would be explained to, and easily understood by, the public.

Finally, if trade unions provided services with a value above a certain specified amount to a political party or candidate it would be necessary to declare that.

Mr Kobelke: The clear intent of the meaning of subscription contained in the definition of "gift" is that as an annual subscription it would have been paid over a number of years, and a particular member could not make a large donation in one year. It must also be a person's membership fee. The wording also intends that the subscription would apply to a large body of the membership and, therefore, that excludes the ability to use this as a loophole for one-off large donations.

Dr GALLOP: As I said, the intention of the Act is very clear, as the member has indicated. Political parties are attempting to get around that clause by practices that are implied by the comments of the member for Marmion. I have made the point that that would be exposed by the publicity surrounding the declaration.

Mr CLARKO: The definition of the word "gift", which is meant to be all encompassing, is inadequate. It is said that one must declare a gift for which inadequate consideration has been given. What is "inadequate consideration"? An example of the fundraising function is local business people giving goods for a campaign function, either entirely free or for an inadequate consideration. If a butcher says, "You can have the meat for your barbecue at half price," is that an inadequate consideration? A lawyer could well say that is the case.



Mr Court: Can you imagine policing that?

Mr CLARKO: Is this the way the Government will overcome the unemployment problem? The Electoral Commission would need an extra quarter of a million employees. If one went to the local hotelier and said drinks were needed for a function, and he said he would give them for nothing - or for 50 per cent or 20 per cent off - would that be an inadequate consideration, or is something an inadequate consideration only if it is given for nothing?

Mr Strickland: People sometimes have sales with specials at reduced prices.

Mr CLARKO: That is right. A butcher is probably selling his steak at a range of prices. When is something an inadequate consideration? The member for Nedlands has asked how many clerks would be required to police this legislation. It is incredible that the Government is introducing this in a desperate effort to close the loopholes in this area. We live in a society in which retailers say, "We saw an advertisement yesterday by a multi national company offering to sell goods to the public for less than I, the retailer, can buy them from my wholesaler."

Mr Bloffwitch: That happens all the time.

Mr CLARKO: That is right. I ask the member for Geraldton how one works out inadequate considerations. Is a single price involved, or do products have a multiplicity of prices?

Mr Bloffwitch: They have a multiplicity of prices.

Mr CLARKO: That is right. If one is a butcher in a country town one might sell one's meat to a hotel more cheaply because it is the biggest buyer. However, if dear old Mrs Smith comes in to buy half a pound of steak for her cat and herself, she pays more.

Mr C.J. Barnett: We are talking about commercial reality here, and that is a difficult concept for the Minister to come to terms with.

Mr CLARKO: Of course it is. The suggestion has been made that it is quite okay for a person to give his labour but not his services. That is a very biased and irrational approach. The Minister in charge of this Bill is the President of the Labor Party of Western Australia, so it is no wonder it is in such a mess and always has huge overdrafts with the banks and hardly any members. We have heard the brilliant interjection from the bullfrog from Nollamara.

The CHAIRMAN: Order! The member's language should be more temperate. He should return to the subject under discussion.

Mr CLARKO: The definition says that a "gift" does not include an annual subscription. The Minister tried to say that a gift would be disclosed when publicised. One of the weaknesses of this legislation is that it will depend on public disclosure. Everybody in the State will be whispering how Mrs Smith gave \$250 to her favourite political party and saying that was surprising because her husband always appeared to be a supporter of another party. All such gossip will achieve nothing.

The Minister raised the matter of subscriptions. The truth of the matter is that there would be no requirement to reveal the name of a person who paid a subscription of \$25 to the Liberal or Labor Party which was aggregated and reported by the party. If the information were published that the party raised X number of dollars for the year, the name of the person who gave a \$25 or \$10 000 subscription would not have to be published, even under this legislation. What the Minister is saying is humbug. I have given examples of my campaign committees receiving goods and services in past years which would well exceed \$200 in some cases. Has the Minister not had functions run by his campaign committees where not only people's labour but also their services and goods have been offered at a discount?

Dr Gallop: What do you mean?

Mr CLARKO: I am saying that it would be unusual in the Minister's Victoria Park electorate, as strong a Labor seat as it is, for him not to have to raise money. He is here today because even the drover's dog or his two week old pup could win Victoria Park for the Labor Party. How does he get his money? Does he get a big businessman to donate it? Does he do what has been suggested by other members who sit on his side of the House; that is, have his campaign accounts paid through Mr Ellett?

Mr Graham: Mind your own business.

Mr CLARKO: I can mind my own business because I did not introduce the legislation. I am not trying to take the high moral ground on this issue by mentioning what has happened with my campaign committee. I am also not the State president of my party. Has the Minister received these sorts of donations? If a couple of hundred dollars worth of tomatoes were donated to the Victoria Park Labor Party campaign, would the Minister feel guilty because of that?

Dr Gallop: No.

Mr CLARKO: Of course he would not.

Dr Gallop: Not at all. If this legislation were in force I would take more care when putting down on paper all the sources of my campaign funds ready for declaration. What we would have that we do not have now is a set of rules that would require every candidate in an election to take care in this area.

Mr CLARKO: It will not help at all. I am trying to expose the humbug of this legislation. A person's receiving \$200 worth of tomatoes from a market gardener in East Victoria Park during an election campaign has nothing to do with good government in this State in respect of whether money has been given in such a way as to curry favour. To bring in legislation with a miserly limit of \$200, which was first introduced in 1981 as a result -

*Point of Order*

Dr GALLOP: The member is now addressing other clauses of the Bill; namely, the threshold that should apply for donations.

The CHAIRMAN: The Chamber has decided to allow the division of this clause into numerous parts, so there will be numerous opportunities to speak. It may be that the member is straying into another area; he needs to relate his comments to the definitions that we are now discussing.

*Committee Resumed*

Mr CLARKO: Mr Chairman, I will follow your learned advice. We are talking about gifts which must be disclosed. A person may receive \$200 worth of tomatoes and pick out two or three and toss them out onto the street so that he does not have to disclose that gift.

Mr BRADSHAW: Whenever we enact legislation, there are always ways to get around it. I am concerned, firstly, that this legislation may deter a person from standing as a member of Parliament. Secondly, a candidate may have overlooked some insignificant thing that he should have done to fulfil the obligations imposed by this legislation, and someone may dob him in and he will be faced with a charge when he has not been trying to avoid the provisions of this legislation at all. If a political party charges people \$200 000 to attend a function which it has organised, is that a gift?

Dr Gallop: It is clearly a gift, if you read the provisions of this Bill.

Mr BRADSHAW: It is not clearly a gift. If a person pays \$10 to attend a function, is that a gift?

Dr Gallop: That does not have to be declared because it is only \$10.

Mr BRADSHAW: What about if it is over the threshold?

Dr Gallop: You are now debating the threshold.

Mr BRADSHAW: No. It is an important point.

The CHAIRMAN: Order! It may be, but it does not come within this clause unless you are directly discussing gifts.

Mr BRADSHAW: I am asking what is a gift. The definition of gift is very wide, and I am trying to work out what the definition covers. It may be that a person must pay an entrance fee of \$10 000 to attend a function.

Mr Pearce: It would have to be a very good function.

Mr BRADSHAW: There are ways of getting around this legislation.

Dr Gallop: That would be a gift.

Mr BRADSHAW: It is not necessarily a gift. A court of law would have to determine whether it is a gift. If the threshold were \$200 and people were charged \$250 to attend a function, would that be a gift?

Dr Gallop: It is over the threshold.

Mr BRADSHAW: It is debatable whether an entrance fee to attend a function is a gift or an entrance fee. This legislation is futile because people will find a way to get around it. What will be the case if members of the union movement give of their time to help out with a Labor Party election campaign? It is very difficult to put a figure on what is the value of that time.

Mr MINSON: I want to recount to the Chamber an incident that occurred during my fund raising activities and which highlights the superficiality and futility of what we are trying to do. I have several people in my electorate who grow wildflowers for export. Those wildflowers must be perfect. A particular fellow came to a fund raising dinner and brought virtually a truck load of wildflowers that were slightly imperfect and were used to decorate the hall. We then auctioned those flowers, and raised about \$600. Is that a gift?

Dr Gallop: It sounds like one to me.

Several members interjected.

Dr Gallop: Of course it is a gift.

Mr MINSON: The superficiality of this legislation is ridiculous.

Mr Pearce: Suppose that as a result of this fund raising activity you are elected and become a Minister, and that person comes to see you and asks you for a favour with regard to his wildflower licence? The sort of conclusion that the public are likely to draw is that the person who gave the gift had decisions made in his favour.

Mr MINSON: I do not think the public would be too worried about a few flowers when we consider the amount of money with which we have heard that members opposite have been dealing.

Mr Pearce: People can be bought for \$600. The principle is disclosure so that people can know about subsequent decision-making.

Mr MINSON: I know what the Government is trying to do and it sounds good in the public arena, but, as we were saying the other day, we cannot try through legislation to make people inherently good and honest.

Mr STRICKLAND: Quiz nights are frequently used to raise money, and campaigners solicit from businesses all sorts of items to offer as prizes. Those items are in effect gifts from businesses to a political campaign. A range of things happen with those gifts. Sometimes they are given as prizes at quiz nights, but they do not actually raise money directly. It has been my experience that the prizes can far exceed the value of the funds raised from a quiz night because often we are limited to the cash that people have in their pockets; people get some bargains and everyone has a good night. If the campaign raises \$1 000 or \$1 500 that is a pretty good quiz night, from my experience. How will quiz nights be treated under this legislation?

Dr GALLOP: The simple answer to the question is that if a gift is given to a candidate to assist that candidate in the course of an election and the value of that gift is above the threshold which will be determined by this Parliament, under this legislation it will have to be declared.

Mr Strickland: How do you assess it?

Dr GALLOP: As I said earlier, in elections candidates will now be obliged to take far more care in the way they record their donations so that when the time comes to make the appropriate declaration they can do so. I would have thought that placing a value on those gifts would not be beyond the ability of 99.9 per cent of those people who participate in elections in this State.

Mr Strickland: You have not answered the question.

Dr GALLOP: I have.

Mr CLARKO: There has been a longstanding practice as to how members of Parliament raise funds for elections in Western Australia. One way is to hold functions, because that moves the fundraising away from donations and away from people who might come along and say, "I am in the flower industry. What are you going to do about it?" In my opinion, the more we move fundraising to functions the greater chance we have of reaching a purer situation.

Mr Pearce: But many people make donations or give gifts at functions which exceed the proposed thresholds.

Mr CLARKO: We have not yet mentioned raffles. I have never been to a major fundraising function where a raffle has not been held. It is an Australian tradition, whether the function is for a political campaign or the local Miss Personality. The member for Scarborough talked about quiz nights. At those functions not only is there usually a raffle, but also often a bucket is passed around and people are asked to make a donation. I suppose that at a Labor Party function when the bucket is returned after being passed around it would contain less than was put in at the beginning! Is the Government trying to stop that practice? It is part of the Australian tradition. I bet the member for Marangaroo, who is noted for his ability to raise money at functions, has things like that at the functions he runs, and quite properly.

Another form of fundraising is the money paid for the ticket to enter the function. I think the member for Bunbury will agree that in the past, for functions for political parties especially, a relatively low entrance fee was charged because we hoped people would be generous once they were inside. I am talking about not only political fundraising functions but also community functions in Western Australia and probably throughout Australia. If we have some form of secret police within the Electoral Commission to chase up these functions and watch from high towers, I suspect we will tend to change the emphasis from fundraising inside functions to charging more for the tickets. For instance, my campaign might decide to raise the price of entry tickets significantly to \$200 each. Members might say \$200 is a tremendously high price for a ticket, but I know of plate dinners in Perth in the 1970s where the entry fee was \$1 000. If a person holds a high class dinner or a cabaret and the ticket price is \$200, is that a gift? I ask the Minister to answer that question because many ordinary candidates would like to know. I do not know about members opposite, but in my political party we work on the basis that the individual candidate almost always stands alone, and we fund ourselves. I am not saying that some marginal seats may not receive some money from the central office, but most of us stand alone and must raise all of the funds ourselves. I think this would be rotten, stinking legislation if it had the effect of grossly inhibiting the normal way in which we have been raising our money for elections.

Mr Pearce interjected.

Mr CLARKO: The Government initially proposed a threshold of \$300 and then, before the Bill came into this place late last year, it put an amendment on the Notice Paper reducing it from \$300 to \$200. That is quite an indictment of the sincerity of the Government to have fair legislation. It is unfair.

Dr Gallop: It was to make it consistent.

Mr CLARKO: During the second reading debate I said that the threshold of \$200 introduced in New South Wales in 1981 was probably worth about \$50 today, taking the consumer price index into account. This legislation shows how keen, or how desperate, the Government is to get down to the most minimal figure and to put little Mrs Mary Smith's name on the front page of *The West Australian*.

Mr Pearce: I do not think that kind of donation to your campaign is likely to make the front page of *The West Australian*.

Mr CLARKO: They will be printed all right. Was the Leader of the House in Western Australia when Poseidon was in the news? I think it was *The Western Mail* which had a double page spread in the middle of the paper in which it printed the names of every shareholder in Poseidon.

Mr Pearce: It is public information.

Mr CLARKO: That is stickybeak, and that is what this legislation is: Stickybeak.

Mr Kobelke: What do you have to hide?

Mr CLARKO: That is the sort of trite comment I would expect from the member, and one of the most intellectual he has made.

Mr Kobelke: You will not answer it, though.

Mr CLARKO: That does not address the question. I have said publicly that I have been a member for a long time, unlike the member for Nollamara; I have received donations for over 20 years and not one of those donors has ever asked me for a political favour, or any other favour.

Mr Kierath: Ask him where he got his money from. Did he get it from Brian Burke?

Mr CLARKO: Yes, where does he get his money from? Does he hold functions? Does he run raffles? Does he have people tossing money in a bucket?

Mr C.J. Barnett: Is he going to disclose to his constituents the source of his funds the next time around?

The CHAIRMAN: Order!

Mr CLARKO: As the member for Nedlands said, we are reaching the situation where we will need a Police Force larger than the Russian army to examine this. In addition, the Minister seemed to confuse the distinction between a candidate and an agent. He said that it would be up to candidates to look much more closely at this, but in truth it is up to the agent. It has been said before, and it has been questioned, and some members have laughed at it, but I have occasionally received a donation where people have said, "Jim, here is some money for your campaign." I have not opened the letter. I have gone to my campaign chairman and said, "Here is a donation from Mr Smith", because I have always wanted to be distant from that sort of thing.

Mr Pearce: What if the donation was in the mail and you did not know it was a donation and opened it?

Mr CLARKO: My secretary opens the mail. That is too clever. I said a moment ago that I have been given donations and that where I could I did not open the letters. It is true that I have seen some of the donations but I have never known all of the donations which have come to my campaign in a week, a month, or for the entire campaign, and I have not wanted to know. However, later one hears of it. All of us who have been members of Parliament for some time know that when we go to our campaign committee the treasurer might report that a few donations have been received and that a particularly good one came from Mr Smith; so one does know about some of them, but not all of them. And I am not referring to the Minister for Lands' branch of the Smiths. He is noted for not having taken his hands out of his pockets since he was two!

The Minister might think we are taking too much time on the definition of gifts, but the nub of the question concerns, for example, a function where the price charged for the ticket is above the threshold. I think the Minister would like that to be a gift, but my understanding, belief and recommendation is that it should not be.

The CHAIRMAN: Order! I draw the attention of members to the Standing Orders relating to repetition. I will not tolerate questions being raised that have already been raised once in this debate. The opportunity is there for significant contributions but I think we have reached the point under this clause where, if new material is not introduced, I will rule members out of order.

Mr Strickland: We would like the Minister to answer!

The CHAIRMAN: That is up to the Minister in due course.

Mr KIERATH: I have a right -

The CHAIRMAN: You have a right to raise what you want to raise but you do not have a right to indulge in repetition.

Mr KIERATH: I have hardly opened my mouth -

The CHAIRMAN: I am just issuing a warning. Do not argue with the Chair.

Mr KIERATH: I accept that warning, but it is my right to ask questions. I understand that the most important aspect of Committee debate is to scrutinise legislation and to ask

questions of the Minister. It is reasonable and my absolute right to expect answers. I had to leave the Chamber for a personal reason for a few minutes, and I came straight back. I spend more time in this Chamber than the Minister does.

**Dr Gallop:** Get on with it!

**Mr KIERATH:** The Minister has not answered my question. He should try answering questions; debate might then be smoother. My question has been raised previously but not in this context: If a function were held and a group of people chipped in small amounts, and collectively the amount were put towards a campaign, is it the collective amount or the individual amounts that would be subject to the threshold?

**Dr Gallop:** The gift must come from an individual; that is what is declared if it is above the threshold.

**Mr Strickland:** The gifts are from different people.

**Mr KIERATH:** If I held a function at which 100 people were charged \$100 would that be regarded as a collective amount or as individual amounts? It is important to clarify the situation. For instance, if a container were passed around, like collections in church, and we have no way of knowing who put in what amounts, what is the situation? In another case we could have paid employees of the trade union movement donating their labour, giving part of the day's paid time and resources. Would that be covered by the definitions? I am not a lawyer, and I cannot give a legal opinion. Obviously the Minister has officers who drafted the legislation and could provide an answer. He could say, in the case of full time labour donated by an organisation, it is no; or where it is a resource it is yes. I need clarification of the situation of collective or individual donations.

**Dr GALLOP:** The member has not addressed the definition issue. When we turn to the clause dealing with disclosure -

**Mr Kierath:** It is not a gift.

**Dr GALLOP:** I am attempting to address the Chairman. When we come to the clause dealing with what needs to be disclosed, the matter can be debated.

**Mr KIERATH:** The definition of "gift" means any disposition of property - and "property" is defined as including money. So, it is "any disposition of property made by a person to another person otherwise than by will, being a disposition made without consideration", and so on, and finally it includes "the provision of a service, other than volunteer labour, for no consideration or for inadequate consideration". If a person who is a fully paid employee gives his time, is that classed as volunteer labour, even though it is an organisation that is paying the employee? Perhaps the Minister did not like the way I used as an example a trade union organiser. In my electorate when I last fought an election I found that my opponent used many people in this way. When speaking to them I was told that they were told to do certain things and make available certain resources. They were handing out how-to-vote cards as part of their duties. That situation could apply to some other organisations that I or my colleagues could establish, or even a group of employees or people with a common cause could set up. The people on the payroll could donate their time, so I need a definition other than for voluntary labour. One could say that people volunteer their time even though someone else provides the pay packet. This is an important point when talking about individuals, goods and services because we can do a lot with manpower. The question is whether it is paid for by a campaign committee. Where is the line drawn? Is it on an individual basis or an organisational basis? It is a grey area. That question has not been answered.

**Dr Gallop:** I answered the question and the member raised another matter which relates to another clause of the Bill.

**Mr KIERATH:** It is part of the same issue. I want the Minister to explain. Surely the definitions were drafted with some requirements in mind, or to target some areas within a safety net. Where are the boundaries? If the Minister could spare the time to give an explanation it may save debate on other clauses, and we will be satisfied. If the Minister does not address the matter here I will continue to raise it under the appropriate clause.

**Dr GALLOP:** I am pleased that the member returned to the definition at issue. The point raised when he last spoke dealt with another matter which will be the subject of this

legislation later on. The question of definitions comes up in all legislation. It is a complex question, and one which is ultimately the subject of legal interpretation and argument. This area will be no different. It is interesting that we fed off the existing Commonwealth Bill which has been in operation for some time. It has been used in New South Wales as well but has not revealed any enormous difficulties in this area.

An Opposition member interjected.

Dr GALLOP: That is a different issue. The issue of definitions has not proved to be any great difficulty for the implementation of the Act. If the service is provided while a person is employed by someone, and if the value of the service is above the threshold to be determined by Parliament it will have to be declared by the group, the candidate or the party.

Mr STRICKLAND: I detect a growing interest in this Bill by members of the Opposition.

Dr Gallop: You are concerned as reactionaries.

Mr STRICKLAND: No; it is because of the Minister's evasiveness. The Minister must give clear answers which spell out the situation. If the Minister wants to duck the issue and remain seated, members of the Opposition will want to speak even more. They will continue to ask the same question until they receive an answer; this could go on for hours, even days, until we do get an answer. The point is that the Minister can facilitate the passage of the Bill.

#### *Point of Order*

Dr GALLOP: Perhaps the member for Scarborough could discuss an aspect of the definitions so that I can respond.

Mr Clarko: It is not a point of order.

The CHAIRMAN: It is a point of order. I was about to raise the matter with the member for Scarborough. He is entitled to his opinions on the Minister's style, but that is not pertinent to facilitating the legislation. If the member believes a question has not been answered, he can ask it again. We are dealing with definitions and the member should proceed to his question.

#### *Committee Resumed*

Mr STRICKLAND: I accept that good advice, but I have already made my point.

We are endeavouring to uncover exactly what is meant by the word "gift". Members have provided examples of practices by which people have raised funds, and problems arise when one considers how one will fulfil the desires of this legislation. If a hat is passed around at a function into which people place varying amounts of money, and this is discovered to be more than \$200, one is not in a position to declare who provided the money. What happens if a generous donor in the room places \$10 000 into the hat?

Mr Pearce: Does that happen at your campaign functions?

Mr STRICKLAND: It has not happened at my functions.

Dr Gallop: Exactly!

Mr STRICKLAND: We are questioning the legislation, and members have indicated its loopholes. We would be criticised if we did not think laterally about this matter, especially bearing in mind how lateral some people have been in their thinking when supporting the other side of the political fence - as we have read in newspapers. Can somebody swan into a function and drop \$10 000 into a hat, and the recipient say, "Marvellous, I do not know where that came from"? Is that a donation? People would realise that this is a loophole and would not ring up a member to make a \$100 000 donation; they would go to a function and drop it in a hat. Has the Minister considered that as a loophole?

Dr Gallop: People who break this law will do so through dishonesty.

Mr STRICKLAND: What is wrong with placing the money in the hat?

Dr Gallop: They are deliberately attempting to avoid the requirements of the legislation; if they do that, they become subjected to the provisions of the legislation.

Mr Bradshaw: It is debatable whether that would be the case.

Mr Court: We could end up with an Act two inches thick.

Mr STRICKLAND: Indeed. Members on both sides of the Parliament have been amazed at

the stories appearing in newspapers regarding donations, and many have a genuine concern about the terrible political picture this has painted. If people want to participate in the process in the way to which I have referred, how will the legislation stop them?

Dr Gallop: It is a form of regulation; that is why we are introducing it. A member may not declare any of his or her donations, and that member would be breaking the law.

Mr STRICKLAND: A member would have to declare donations. I am asking what will happen if the word is out that a member has organised a campaign function at which a hat is passed around and someone drops a huge sum of money into the hat because that person does not want the donation disclosed?

Mr BRADSHAW: This is a very important matter. Members have provided some examples of what could happen at fundraising functions. Various methods exist for raising money, be it raffles, hats or auctions.

Dr Gallop: We have spoken about auctions.

Mr BRADSHAW: We should talk about auctions again. I certainly cannot remember what the Minister said on this matter.

Dr Gallop: I said that gifts given which are above the threshold must be declared.

Mr BRADSHAW: I refer to a person bidding at an auction.

The CHAIRMAN: Order! This question has been answered - I remember it clearly.

Mr Clarko: Not in this way. This is not tedious repetition.

The CHAIRMAN: I am here to interpret Standing Orders, not the member for Marmion. A question of this nature has been raised before.

Mr BRADSHAW: I beg to differ, Mr Chairman. The matter of an item provided for auction being a gift was raised before; however, what happens if somebody bids for that item and pays \$5 000 for it? Is that a gift which must be declared?

Mr Court: When the auctioneer reaches the threshold he will have to say, "We are now above the threshold and I will now require your name and address!"

Mr Clarko: When one buys something, is that a gift? It does not sound like it to me.

Dr Gallop: A gift is given as a donation in the form of a particular item for auction, and, if it is above a certain amount, that must be declared by a candidate.

Mr BRADSHAW: What if a person paid \$5 000 for that item?

Mr Clarko: He could pay \$5 000 for a 10¢ piece.

Dr Gallop: That is the value of the gift.

Mr BRADSHAW: Whose name is recorded by the donation? Is it the person who provided the gift, or is it the bidder at the auction?

Mr Strickland: The member for Wellington raises a very good point. I attended a function at which somebody paid \$250 for a bottle of wine worth much less because he wanted to make a gift.

Mr Pearce: "Gift" - top word that! The member is a smart man and should be writing definitions.

Mr Strickland: It was not the action of a gift; it was the action of buying something at an auction.

Dr Gallop: It should be declared; that is the point.

The CHAIRMAN: Order! The member for Wellington has the floor.

Mr BRADSHAW: This point has not been adequately answered by the Minister. Whose name should be recorded beside the donation if the campaign committee brought wine to the auction and somebody paid a crazy price for it?

Dr Gallop: If the gift is given to the candidate, it is incumbent on that person to provide the source of that gift if it is above the threshold.

Mr BRADSHAW: The Minister requires a legal opinion. In the case to which I refer two



gifts are involved: The gift is provided by, firstly, the person providing the item for auction, and secondly, the person paying an unrealistic price for the item at auction. The bidder is making a gift in a roundabout way. If that person is buying an item, in a court of law he or she will not be regarded as providing a gift.

Dr Gallop: It is strange that this matter has not caused problems in the Commonwealth or New South Wales.

Several members interjected.

Mr BRADSHAW: We suggest that these could be the ways in which people will attempt to get around the Act. It will come down to a point of law regarding what is a gift. These examples have been thought up by the Opposition during the last few days when considering this Bill. However, many people will be considering ways around the legislation for a much longer period of time.

Dr Gallop: You could say that about every piece of legislation passed by any Parliament in the western world!

Mr BRADSHAW: This legislation will be inoperative. It is very difficult to administer these laws because people will always be looking at ways to get around them.

Mr STRICKLAND: In view of the many different examples we have heard I am not satisfied that the Minister has sufficient legal competence to place interpretations on the definition. Will the Minister make provision for a register so that members could list what they envisage they will have difficulty in determining should be classified as a gift? Members must live with the legislation. If members document examples of their concerns, will the Minister undertake to obtain a proper legal opinion on those concerns and then to bring this Bill back into the Chamber so that members have some understanding of what the legislation is about?

Dr GALLOP: What the member proposes is impossible. All legislation of some complexity, and there are many examples in the Electoral Act, requires a long history of interpretation of particular definitions that are applied and sometimes the argument can finish up in a court of law. Currently some matters contained in the Electoral Act require interpretation, such as the administration of elections, ballot boxes and valid and invalid votes, and the Electoral Commissioner will take up these matters in the course of carrying out his duties. I would have thought that when this legislation comes into operation we will see problems and interpretations arising as they do with any Bill. There will be interpretations of particular definitions, clarifications as the process moves along and, ultimately, there may even be court cases associated with that clarification.

Mr Strickland: Innocent people will be found guilty.

Dr GALLOP: That is ridiculous. The declaration process does not imply guilt or innocence, it implies declaration. The Opposition is trying to bring up nitpicking arguments because it is against the principle of the Bill. These definitions have not proved to be a problem in other jurisdictions that use them.

Mr Shave: You just told us there were problems everywhere.

Dr GALLOP: I did not say that. These definitions have not proved to be a problem in the other jurisdictions that have used them.

**Proposed section put and passed.**

**Proposed section 175A: References and interpretation -**

Mr CLARKO: Proposed section 175A(4) asks this Chamber to write a blank cheque. It says that if it is necessary there will be regulations and they will follow principles unknown. That is sheer humbug and I ask the Minister to justify proposed subsection (4). Has the Minister or any of his officers considered the sort of regulations that may be applied or does he have some problems and is still making up his mind? If so, it rests with the Minister to clarify his position to the Chamber.

Dr GALLOP: Regulations may be necessary to back up this legislation as they are necessary in many areas of legislative endeavour. The power to do this is outlined later in the Bill, as I am sure the member is only too aware. Some of the issues raised by members about the

definitions may very well require some further regulation. Regulations come back to this Parliament and are subject to the disallowance of the Parliament; so it is not a case that those regulations are out of the province of the Parliament and solely in the arena of the Executive.

Mr CLARKO: Regulations can pose a dangerous situation and the person who has expressed that best is the Leader of the House when he was Minister for Education. He will remember saying to this Chamber, concerning a regulation which was designed to assist in the promotion of women in the Ministry of Education, that the regulations would apply whether the Opposition liked them or not. The former Minister for Education told members that he would bring the regulations in during the winter recess and that they would be in place until the spring session and that he would get the effect he wanted even if the Opposition were to disallow the regulations in the spring session. Those regulations were to assist people like - and I may be wrong here - the lady who eventually became the principal of the Albany High School who stood unsuccessfully against my colleague the member for Albany several times. There was a lot of merit in some of the regulations, by the way. The Minister for Parliamentary and Electoral Reform should not try to advance this argument because we can see through it. The Labor Government does the same thing before elections; I know the way it works. The Minister has an obligation to explain the principles involved and if he cannot provide an answer he should ask his adviser what regulations the department has in mind to put in place here.

Dr GALLOP: The member may be assisted in this matter if he referred to the Commonwealth Act and looked at the sorts of regulations that have emerged from that Act.

Mr Clarko: Are we going to have the Commonwealth regulations?

Dr GALLOP: No, I am trying to assist the member in determining what may be the sorts of regulations that will come out. In fact Federal members contesting elections have a very clear set of rules about how they undertake their fundraising. It has regularised the fundraising rules and has put everyone on a level playing field. The public can be assured that the political process of fundraising is conducted properly with the same rules applying to all candidates, groups and parties.

Mr CLARKO: That is totally unsatisfactory. It is incumbent on the Minister to explain to this Committee the reason he is putting in provision for an open cheque, which he is doing deliberately. The legislation states, "if the regulations so provide." There may not be any intention of having any regulations or of having the same regulations as the Commonwealth Act, but I do not know that. If that were so, a fair, reasonable and intelligent Minister would say that regulations would be along that line. He should say that these regulations should cover these principles which are not just how people in Canberra talk about this or that. It may be a code of principles. In fact, all the provisions in the legislation could be put in place by the Labor Party without taking the high moral ground. That is what is done in Germany. There, political parties adopt their own codes of principles and adhere to them. If the Labor Party were honest it would do that also. Members of the Labor Party are masters at evading legislation just as the Minister is now evading the questions.

Mr BRADSHAW: Who will determine the value of a gift given for an auction at a fundraising function? I know of people who make lamp stands and give them as trophies and, in some cases, as donations for political fundraising. They have no real value because they are home-made although they are often made very well. Who determines their value? One offered for a raffle could raise \$1 000, but it is very difficult to put a price on the value of that article.

Mr Strickland: Also, often old stock that cannot be sold is given by a shop owner. Who determines the value of that and will it be determined at the price paid for it by the shop owner or will it have no price because it cannot be sold? How will the Minister be able to tell us? He has no legal experience and was not able to answer the questions asked of him previously.

The CHAIRMAN: Order! The member has made his point.

Mr BRADSHAW: Who should set the value of those articles when it is difficult to put a price on them? In a sense that stock has little value because it cannot be sold.

Dr GALLOP: Proposed section 175A(4) makes it possible for regulations to be drawn up which may establish the general principles in dealing with these complex matters being

raised by the Opposition. Of course, they will have to come back to Parliament and therefore will have the backing of the Parliament when they are put into operation. There will always be matters for determination through regulation. For example, already we have a set of regulations relating to ballot papers which are the subject of occasional argument. Similarly, regulations will relate to this legislation which will deal with some of the finer points and assist candidates in the carrying out of their duties.

Mr KIERATH: I believe that this clause is about perceptions; it is not really genuine in its thrust. It is designed to try to place impediments in the way of the Opposition and to make things easier for the Government. It has many loopholes in it with no better an example than proposed subsection (5) which refers to a body corporate. We know that, under Corporations Law, people can set up myriad trusts to camouflage the real owners of those trusts. We know that if three different trusts were set up, it would be almost impossible to find the identity of the original owner through those trusts.

Mr Pearce: I would not have known that, but I accept that you are an expert.

Mr KIERATH: I have read a little about it. I am glad the Minister has interrupted me because I have looked at the best examples of why this legislation is needed and have come to the conclusion that it is meant to restrict members on the opposite side. All of the donations and funds for favours have been given to members opposite!

The CHAIRMAN: Order! I suggest the member return to proposed section 175A rather than generalise about political donations.

Mr KIERATH: I was referring to new subsection (5) and how it can be used to confuse and hide the identity of a member. The legislation is full of loopholes. I understand the Labor Party has a couple of accounts around the place that it can use to channel funds across State borders to avoid disclosure. The sort of people this legislation will catch will be the honest people. The dishonest people had worked out ways around the legislation even before it was introduced. The loopholes are so wide that people will drive trucks through them.

Mrs Watkins: Close them.

Mr KIERATH: We have asked for intelligent answers from the Minister and he will not give them to us. If the member expects us to do his work, she is mistaken. I feel sorry for the ALP having him as State President.

Dr Gallop: We have a different view of Parliament.

Mr KIERATH: Yes, to the Labor Party, Parliament is an inconvenience that it must put up with. There is no better example of that than the Minister's attitude today. If he had the decency he would adjourn the debate until he has answers to the questions he has been asked.

### *Progress*

Progress reported and leave given to sit again at a later stage of the sitting, on motion by Dr Gallop (Minister for Parliamentary and Electoral Reform).

[Continued on p 2000.]

*Sitting suspended from 1.00 to 2.00 pm*

[Questions without notice taken.]

## **MATTER OF PUBLIC IMPORTANCE - JOB CREATION AND BUSINESS INCENTIVES**

### *Legislative Program Priority*

THE SPEAKER (Mr Michael Barnett): I advise that today I received a letter from the Leader of the National Party seeking to debate as a matter of public importance the legislative priority the Government gives to job creation and incentives for business.

If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The SPEAKER: In accordance with the Sessional Order, half an hour will be allocated to each side of the House and 10 minutes to Independent members for the purpose of this debate.

**MR COWAN** (Merredin - Leader of the National Party) [2.32 pm]: I move -

That this House calls on the State Government to give top priority to job creation and business incentives in its legislative program for the remainder of 1992 to enable the State economy to take full advantage of the latest fall in interest rates.

In accordance with your instructions, Mr Speaker, the National Party has deliberately kept this matter of public importance brief and has made it somewhat general. I do not want people to misunderstand that while we have given it a degree of generality we do not in any way, shape or form want to lessen the importance of the issue. This motion relates to what the Government and, to a lesser extent, the Parliament can do to ensure that the Government provides the necessary catalyst to encourage or accelerate economic recovery in Western Australia. It is only through economic growth and new investment that we are likely to create full employment or begin the attack on the unacceptably high levels of youth unemployment. Similarly, it would be very appropriate if this Parliament could give the Government some indication of its concerns about the direction of the Government's legislative program, which does very little to implement those objectives.

**Mr D.L. Smith:** The legislative program keeps getting frustrated by motions of this kind.

**Mr COWAN:** I have taken on board the interjection of the Minister and it has always been my wont to respond to interjections, so I will respond; but I will continue to go through my theme and then get to the question of the Government's legislative program. I will demonstrate how empty and hollow it is in seeking incentives for, firstly, investments in this State and, secondly, to create additional employment. Several distinctions can be drawn between what is Government policy and what is a Government's legislative program. Everybody at some stage or another would have procured a copy of the WA Advantage package and if they really wanted to punish themselves they would have read it. This package was first published in February 1992 and contained a number of initiatives, as all policy documents do. There were 10 major initiatives for private sector investment and another 10 major initiatives to establish key industries in Western Australia. We could go through all the other major initiatives that the Government wanted to talk about, including efficiency. Apparently the Government thinks it is quite efficient; it could find only four major initiatives to improve efficiency. When it came to promoting Western Australia the Government did not feel its public relations or marketing expertise was all that great so it went back to eight major initiatives. In all cases policy documents have some good points, and nobody would take any great exception to some of the initiatives that are in the package. We can look at those good points and also at what has happened in this State in recent times. I will quote two examples of what has happened in the past week: Firstly, we have seen a reduction in interest rates brought about by the Reserve Bank of Australia, which has brought interest rates down to the lowest level in many years. The bulletin which is published by the Reserve Bank of Australia shows, for example, that over a three year period interest rates for 90 day bank bills have dropped from 18.3 per cent in June 1989, which was the highest point, to 7.55 per cent in March of this year. Everybody knows that one of the most prohibitive factors for investment is the cost of money that is necessary for capital outlays. A reduction in interest rates of that nature is very significant. At the moment we have an interest rate which allows business to invest in this State, particularly if it can identify resources and get some agreement from the Government that those resources should be developed. Everybody would be encouraged by the recent announcement about employment. There has been very strong growth in jobs in Western Australia in this quarter. Everybody in this House would be pleased that unemployment levels have dropped by 0.7 per cent. We would all like to believe that with a recovery in business we can continue to bring those unemployment levels down to figures which are much more acceptable to society. The climate is right for us to deal with issues that can give encouragement to invest and to create jobs in this State and that can exploit some of the situations which have been recently announced, such as reduced interest rates and the interest that is being created in new jobs and new development. Every member would agree with what I have said to date.

I will now examine the legislative program of this State. Members must remember that the National Party is calling upon the State Government to give top priority in its legislative program to job creation and business incentives because the National Party believes the Government can provide a lead to business. It has already been noted that the WA Advantage package contains some initiatives which will be of benefit to business and which

will encourage business to invest in this State. In fairness we must acknowledge that; yet what does the Notice Paper contain? Nothing on the Notice Paper refers to daylight saving or the monumental disaster in the Minister for Fuel and Energy's handling of the proposal to implement a policy to provide cheap energy to this State. Since 1990 we were supposed to have had a preferred tenderer for the construction of a power station but now we seem to be back where we started. That has occurred over the past 18 months.

Today's Notice Paper contains 25 Orders of the Day, about five of which relate to providing business with some advantage. They include the Port Kennedy Development Agreement Bill, which will create jobs and opportunities for Western Australia, and the National Rail Corporation Agreement Bill. While there is a need for a new enterprise agreement which will cost railways workers jobs, particularly loco drivers, the fact is that if the National Rail Corporation proceeds properly and manages to succeed in attaining its objectives, it will capture a large proportion of interstate freight which, as most members will know, provides one of the fastest growing land freight opportunities in this State. If the National Rail Corporation succeeds it will benefit business, particularly if it receives the enterprise agreement and the \$500 million-odd to improve the railway system and which has been promised by the Federal Government under the One Nation package. Payroll tax adjustments to be provided through the Pay-roll Tax Assessment Amendment Bill, while selective, nevertheless are an opportunity for business to improve its productivity and profitability.

The rest of the 25 Orders of the Day could be raffled. Some of them clearly relate to administrative issues and standard parliamentary procedures, such as the introduction of the Supply Bill and the Treasurer's Advance Authorization Bill. What are the other issues? Can any member tell me if I have missed the point and how these Orders of the Day will increase opportunities for this State to employ more people or how they will attract business to this State? In some instances this legislation may improve the quality of life for some people, but there are a great number of business men and women who have gone broke and a greater number of unemployed in this State, particularly young people, and I ask members to question what quality of life those people enjoy.

The Notice Paper also includes the Equal Opportunity Amendment Bill (No 2), the Electoral Amendment (Political Finance) Bill and the Western Australian Land Authority Bill. That Bill is a nice piece of work! I have spoken before about the Government's capacity to draft legislation which allows the Government to direct public funds to a specific area. That has included legislation to establish the South West Development Authority and the Great Southern Development Authority. Generally, that has been done to improve regional development. However, the Western Australian Land Authority Bill will amalgamate the Joondalup Development Corporation, the Industrial Lands Development Authority and LandCorp. Therefore, we are sending to Joondalup a body which has the authority and the power to provide developed industrial land and to develop residential land and community facilities not only in Joondalup but also Statewide. That is happening because an election is drawing near and because most of the marginal metropolitan seats happen to exist in the northern corridor. One does not need to be a Rhodes scholar to know what will happen should that legislation be passed. It will provide an opportunity for more public funds to be directed to the northern corridor in an attempt to save some very marginal seats held by the Government. While some people may claim that the new authority will contribute to the development of this State, that focus on development is nothing but pork-barrelling and should be dispensed with immediately.

Other Bills on the Notice Paper include the Members of Parliament (Financial Interests) Bill, the Equal Opportunity Amendment Bill and the Freedom of Information Bill. That legislation bears absolutely no relationship to the capacity of this State to provide additional development to attract new business and, through that, to create new jobs. That is the issue to which this Government should give some serious consideration. It should move away from issues such as daylight saving - which we have dealt with let us hope for the last time - and duck shooting. I am sure that some people who are involved in the environmental movement and who have a fondness for ducks would argue that that legislation is long overdue; however, the matter of priorities must be determined.

The National Party is saying that given the conditions that apply in this State today, given that interest rates are at their lowest point for about 20 years, given that the Reserve Bank of

Australia has indicated that it prefers that the one per cent cut in interest rates should be passed on to business first rather than to the housing industry, and given that we have seen a small turnaround in the unemployment figures, it is appropriate for this Government to examine the WA Advantage package. It has been published now for three months and the Government should begin to do something about legislating for all the issues and key initiatives which it said it would provide to encourage investment and opportunity and, through that, additional jobs in Western Australia. When no more than five of the 25 items on the Notice Paper deal with issues that promote investment and development in this State it is clear that the Government's rhetoric in the WA Advantage package is nonsense and is at odds with its legislative program. Until the Government gets it right this State will fail to capitalise on the opportunities that are available.

**MR HOUSE (Stirling) [2.50 pm]:** Governments have both primary and secondary responsibilities. The primary responsibility of Government is to create a good business environment in which we will have a growing economy and as much employment as possible, to legislate to create an environment where business can prosper and to make this a productive place. Unfortunately, the priorities of this Government have not been in that direction and the figures speak for themselves. Under this Labor Government we have the highest unemployment rate this State has ever seen, the highest overseas debt of any Government in Australia's history and, in the last 12 months, the highest number of bankruptcies recorded in Western Australia. The only things that are low are interest rates and inflation. We do at least have part of the equation right. We have suffered the highest interest rates that any business economy has had to suffer for many a long day and that has caused enormous problems. It is time for the Government to rethink its legislative package and the issues that are important to it. No Government in the history of Western Australia has neglected small business and agriculture to the extent this Government has.

We have heard a great deal of rhetoric from the Government about how agriculture must stand up to international competitiveness and compete in the international marketplace. The agricultural industry is well and truly ready to do that. The dismantling of the assistance which has been in place for agriculture for many years is not a pain to that industry provided the Government dismantles the impost costs that go into agriculture and agricultural small business. However, it does not want to do that. The Government talks about tearing down the structures which protect farmers, but it does nothing to deregulate the labour market, working hours and the internal economy of this State; many things can be done in that regard. This Government does not want to talk about the many protected industries in the metropolitan area; all it talks about is how to deregulate the agricultural industry. It is apparently all right to kick the poor old farmer and the agricultural businesses to death. The Government does nothing about deregulating the taxi or liquor industries or working hours.

**Mr Taylor:** It does.

**Mr HOUSE:** I have not heard the Minister advocating that publicly. All this Government does is provide for more holidays, as it did recently.

**Mr Marlborough:** What about the \$150 minimum price guarantee?

**Mr HOUSE:** What a lot of nonsense; there was no wheat subsidy.

Several members interjected.

**Mr HOUSE:** I hope Hansard got that interjection because it shows the ignorance of the member for Peel; he obviously does not understand the agricultural issue. I certainly am making more sense than he is.

The Government must take action very quickly to decentralise industry in Western Australia. While interest rates are low it has a wonderful opportunity to do that. The Government now has the opportunity to make sure that agricultural businesses have full employment. This will open the way for those businesses to operate as productively as they were before the recession was forced on Australia by the present Prime Minister. It is time for the Government to make absolutely certain that new business is given every opportunity to thrive in rural areas under new policies which can be initiated. This is what this Parliament should be debating. It should make certain that this opportunity is not lost. We can no longer afford to import products into this country and be uncompetitive. Our balance of payments monthly figures indicate that this country is going further into debt and unless we

face up to this problem we will find ourselves in deeper trouble. I ask for some consistency in the Government's approach to deregulation. The National Party does not oppose the philosophy, but it wants it applied evenhandedly. It wants a policy that will allow this State to compete in the international marketplace from both a cost and output point of view. Agriculture and rural small business stand ready, without any hesitation, to face that challenge, but it cannot do it if the Government takes too much from it and gives it nothing back.

I commend the Leader of the National Party for moving this motion.

**MR TAYLOR** (Kalgoorlie - Minister for State Development) [2.55 pm]: The Government intends to support this motion and I suppose the speech of the deputy leader of the National Party indicates why. It contained all the necessary motherhood statements, and how could anyone not agree to them? Having made that comment I was astonished to hear the Leader of the National Party and his deputy talk about the Government's legislative program which, according to them, has very little in it from an economic point of view. Only yesterday this House spent hours debating an issue associated with the proposed Collie power station. During that debate more damage was done to that project than anyone else has been able to do in recent months. I am very surprised that the National Party would come forward with this sort of motion when it spent many hours yesterday trying to put down one of the more important projects for this State. While the National Party members sit in this place and talk about economic development their friends in Canberra, who are so close to the Liberal Party that they can no longer be identified as the National Party -

**Mr Kierath:** They are closer to us than to you.

Several members interjected.

**Mr TAYLOR:** I have spoken on two occasions about bush socialism. The Federal National Party sits alongside the Liberal Party and the Democrats in the Senate in Canberra and together they threw out the Government's resource security legislation which would have created jobs in the Eastern States and would have assisted in job creation in Western Australia. The legislation is not the be all and end all as far as pulp mill operations are concerned in this State

**Mr Cowan:** It is the State's responsibility to deal with that.

**Mr TAYLOR:** The Commonwealth has to grant an export licence. In addition, the people from overseas to whom I have spoken have a general view about resource security which unfortunately has been promoted by the mining industry. The Commonwealth Government's legislation, in many ways, could have been the icing on the cake and it would have benefited Western Australia in selling a pulp mill project in the south west of the State.

**Mr House:** I would have supported that legislation.

**Mr TAYLOR:** It is sensible.

**Mr House:** It is. Are you going to introduce similar legislation?

**Mr TAYLOR:** It is included in the various agreement Acts.

**Mr House:** Are you going to bring in similar legislation for the timber industry?

**Mr TAYLOR:** We do not need it for the timber industry, but I will introduce legislation relating to a pine milling operation outside Bunbury to be undertaken by Wesfi Pty Ltd and Bunnings Forest Products Pty Ltd. At the request of those companies I will bring to this House an agreement Bill associated with this project which will give them additional security. When it is necessary the Government will always do that. It is necessary to look at the Commonwealth Government's role in these matters.

**Mr Cowan:** I hope you are not going to continue addressing the shortcomings of the Federal Government.

**Mr TAYLOR:** I am pointing out a conflict of interest of the National Party's in relation to this motion which, as I have stated, the Government will support. The National Party's colleagues in the Eastern States are not prepared to support resource legislation. However, the National Party talks about this Government's legislative program, but it spent a great deal of time debating the Collie issue.

Mr Cowan: It was private members' business.

Mr TAYLOR: It may have been, but it was not the right time in relation to the issue we are talking about now. When bankers and others read that debate they come back to the Minister for Fuel and Energy and say, "Where does the Opposition in Western Australia stand in relation to these issues?" Another test of the Opposition parties will arise when we debate another piece of legislation placed on the Notice Paper today concerning the Port Kennedy development. The Leader of the National Party has mentioned this as a major job creating development. This will be a test for the Opposition. I will not rush that legislation through.

Several members interjected.

Mr TAYLOR: The member for Riverton should not talk about dirty deals; this project should be judged as a straightforward proposition. If the member for Riverton sees it that way, he will end up having to eat his words. No matter what his political view of that project, it is an important one for Western Australia. I could mention other such projects. The land authority legislation on the Notice Paper is also important for Western Australia, despite the comments of the Leader of the National Party about it. I will give another example. Once again the Government has spent hours and hours - and the member for Applecross was part of this - debating legislation when the Opposition could have allowed us -

Mr Lewis: That is what this Parliament is about.

Mr TAYLOR: The member for Applecross is now in conflict with the Leader of the National Party. Hours of endless and repetitious debate take place on this sort of legislation. The Premier made the point the other day that if one sits here for some time one will hear time after time the same speech from different members of the Opposition. The Opposition should have one spokesman handling each piece of legislation, making the points the Opposition wants to make and moving the amendments it wants made to that legislation. It should not have four or five of its members saying the same thing time after time.

Mr Kierath: What did you do when on this side? You had a bunch of rabble representing you.

Mr TAYLOR: We never had legislation amended in here when people of the same persuasion as the member for Riverton were in Government. We are much more amenable to amending legislation than was the member's party when in Government.

Mr Lewis: You have no choice. You do not have the numbers.

Mr Court: Does the Minister think the former member for Collie ever repeated his speeches in this Parliament?

Mr TAYLOR: He repeated them with great force, but probably only once a year.

Mr Court: The Minister must have been in a different House!

Mr TAYLOR: He rose once a year and made an enthusiastic speech about Collie. I will deal now with some of the other issues. Mention has already been made about the pleasing drop in unemployment. That is a step in the right direction. However, the Government accepts that it has a long way to go in this area.

Mr Kierath: Do you accept credit for that?

Mr TAYLOR: Although Western Australia now has unacceptable levels of unemployment the growth rate in employment over the past eight years has been 30 per cent or so, or 186 000 new jobs. In addition, unemployment levels have dropped slightly. Private investment in the State rose to over \$1 billion in the December quarter of 1990, up 13 per cent on the previous quarter. The Australian Bureau of Statistics expects that private investment in Western Australia will increase by between nine and 43 per cent over the previous year in 1992-93. In addition, investment in mining rose by approximately 11.9 per cent in the December quarter and investment in manufacturing by 20.8 per cent. Exports in Western Australia rose to \$13.7 billion in 1991, a 31 per cent increase over the 1990 figure. Those are fairly impressive figures on our general economic performance by most standards. They contrast quite remarkably with the message one gets from the member for Nedlands who says that the Western Australian economy is not doing reasonably well when compared to most other economies.



Mr Court: It has not performed as well as it should have.

Mr TAYLOR: Of course it can always improve. The Leader of the National Party mentioned the Western Australian Advantage document, which is a good document. It is certainly a great improvement on the Western Australian Fightback junior package, which is a shallow document in every way.

Mr Lewis: None of the commentators says that.

Mr TAYLOR: They certainly do. I would be more than happy for the member for Applecross to nip up to the library and grab material from the Chamber of Mines, the Australian Association of Mining and Exploration Companies and bodies like that. I am pleased to say that part of that document deals with the investment and incentive packages.

Mr Court: In Government one does not have documents, one has performance figures.

Mr TAYLOR: That is correct. We will be setting aside up to \$30 million a year for a determined investment attraction package aimed at strategic industries such as mineral and agricultural processing, paper and pulp production, biotechnology, information technology, aerospace, and so on.

Several members interjected.

Mr TAYLOR: I will give the member who interjected an example. A new super alloy plant is to go into Canning Vale. That is a joint venture between Pratt and Whitney, the jet engine manufacturers from the United States, Wyman Gordon, a major foundry organisation in the United States, and Western Aerospace, the Western Australian partner in the joint venture. That project will be worth about \$40 million in capital investment.

Mr Kierath: Did you do that, or is it a part of defence offsets?

Mr TAYLOR: I will make matters clear for the member for Riverton. We made land available and supplied other parts of that package to the value of \$3.7 million. I will report to the Parliament during this year on the nature of that package. Part of Pratt and Whitney's obligation is the offset package, which is an approach to investment generally criticised by groups such as the old Confederation of Industry. Nonetheless, I believe it works; certainly, Pratt and Whitney have been able to offset some of their obligations under various defence contracts through that project. The key thing is that we were able to put together an investment package that brought the project to Western Australia. It could have easily gone to another State. That is the sort of thing we need to do. That is the sort of package we will continue to put together in Western Australia.

I will not go through all the details of the eligibility requirements required for investing in Western Australia, but detailed criteria have been set for people to be eligible for the investment attraction package. People may be critical of them in the sense of trying to pick winners, but we must have a go at picking winners because we are subjected to a great deal of competition from the Eastern States which all believe they are able to put together packages that at least meet ours in terms of eligibility and the like and also great competition from places such as Malaysia, Indonesia and Singapore where enormous investment attraction packages are offered. We are out in a competitive world. We believe our approach to job creation and business incentives is the right one and that it is now starting to have the right effect.

**MR BRIDGE** (Kimberley - Minister for Agriculture) [3.09 pm]: The Leader of the National Party's motion calls for a plan of attack to create incentives for industry in Western Australia. The Government has no argument at all with that approach. However, what we in this State must do - and here I would seek the support of the Leader of the National Party and the Opposition generally - is to support the many measures currently in place to achieve that result. It is important that we do that because one of the major impediments in industry is a perception, albeit a wrong one, that not many programs are in place to assist industry. If we continue to highlight the negatives for too long people will not take advantage of the support programs already established. For example, I am sure the Leader of the National Party knows that some very exciting initiatives have been undertaken in relation to agriculture, and results are starting to manifest themselves very satisfactorily. I appeal to the Leader of the National Party not to condemn the lack of programs but to support those already in place.

Mr Cowan: I am not knocking you particularly, but let us take the Rural Adjustment and

Finance Corporation as an example. You put forward a package at the end of last year thinking that you would provide an opportunity for some people who were being denied assistance under the rural adjustment scheme, yet when that package was put forward it proved to be virtually useless. Of the \$3.6 million, \$170 000 or \$180 000 is being used and \$3.4 million is being sent back. So when you say that incentives, initiatives, and all of the necessary matters are in place to provide opportunities, you should remember that. The gloss is there but when we come to see how it works, it does not work. I am not blaming you.

**Mr BRIDGE:** I know.

**Mr Cowan:** You were given some very poor advice by somebody in your department who sold you a package that would not work.

**Mr BRIDGE:** Notwithstanding that, the Leader of the National Party knows that collectively we are working to change that structure.

**Mr Cowan:** Yes, we are, but it is too late.

**Mr BRIDGE:** I am sure the Leader of the National Party will agree with me that to a large extent we will succeed in that change. He knows as well as the member for Warren, because they have access to information, that that is being worked through between ourselves.

**Mr Omodei:** The proof of the pudding is in the eating.

**Mr BRIDGE:** It will happen, and the member knows that. We must show our determination to bring about those changes so that the enthusiasm which I believe is now evident in the industry is sustained. Let us take as an example the recent trip to Singapore, which included the deputy leader of the National Party and the member for Warren. It is quite remarkable how, from that visit of a few days, we have generated a huge amount of revenue in sales for the State. That illustrates what I am saying: Structures are in place which are capable of generating industry growth which, in turn, offers job opportunities and the like. While we may highlight some of the features of the system which are less than satisfactory, it is also very important that we continue to promote those existing initiatives, incentives and opportunities for industry; because at the end of the day industry is where job creation will occur.

**Mr Cowan:** That is right.

**Mr Omodei:** It is a shame that a few more of your Ministers do not realise that.

**Mr BRIDGE:** Therefore it is fundamentally important that we balance this whole equation.

**Mr Cowan:** Would it not have been good if the advice given to you on part B provisions for RAFCOR were right when you first made the announcement, rather than your being forced to go back and correct the error now, when it is really too late for the broadacre farmers? It may be of advantage to woolgrowers but it will not impact on wheat growers at all. That is my point: Somebody sold you a dud and they should not have done that.

**Mr BRIDGE:** That may be the Leader of the National Party's interpretation but the thrust of his motion is job creation opportunities. I do not think anybody here would want remotely to disagree with the Leader of the National Party about that, because it is important and very proper that that should be the emphasis which, legislatively and otherwise, we place on planning the State's future. However, while those are factors we must address and are addressing, and vigorously at that, there is another side to the equation, and procedures are in place which we should also make known to industry. The Leader of the National Party and I have an obligation to highlight those good features as well and it is important that we do so because the perception of a system that is hopeless and incapable of rendering assistance can be quite damaging for the State. We must not allow that to happen. We must vigorously pursue opportunities for job creation, and the marshalling of resources in industry is the key to that. I think I can reasonably say that in agriculture, with some exceptions due to the problems associated with RAFCOR, we are making strides in our endeavours to do that. There are some wonderful examples. For instance, yesterday, as a follow-up to the Singapore trip, an order was placed for 6 000 tonnes of fruit from the south west. That demonstrates that industry is taking advantage of some of the better features of the system. Many satisfactory policies are currently in place and should be supported by the House.

**MR KIERATH (Riverton) [3.16 pm]:** I support this motion and place on record the

Liberal Party's support for it. The motion refers to job creation and business incentives and calls on the State Government to give these matters top priority. I will not debate the issues raised by my colleagues who spoke before me, but I have noted the lack of job creation programs contained on the Notice Paper. It was interesting to hear the Leader of the National Party say that there were more references to duck shooting in the Address-in-Reply to the Governor's Speech than to job creation programs. That shows the priority this Government has given to job creation - it simply does not rate.

I do not know what it will take for members opposite to wake up to the fact that unemployment will absolutely destroy the Australian Labor Party. When the Premier was answering a question today I tried to interject and get her to say whether she claims credit for the small drop in unemployment. That is a double edged sword, because if she claimed the credit for the drop she would also have to claim the discredit for allowing high levels of unemployment. She simply cannot have it both ways. She must take the good news with the bad; either the Premier has a say in unemployment matters or she does not. That is most important.

Several members interjected.

Mr KIERATH: I am glad the member asked, because as long ago as May last year we called on the Premier to come up with a job creation program. We know the Government does not have any ideas; we know it is bankrupt and bereft of ideas on job creation.

Several members interjected.

Mr KIERATH: There was one paragraph - that was their contribution. We said that although the Government was bereft of ideas we had some good ideas and we put them forward. I would have thought that politically the Government might find it hard to accept ideas coming from us. We can understand that. However, we suggested in May last year that if the Government could not handle the problem we should try a bipartisan approach and have some special debates about unemployment. I put it to members opposite that unemployment is the biggest single issue facing us here today. In fact some Labor people, funnily enough, have said to me, "We do not give two hoots what you do in Parliament really. We want a job." They said, "At the moment we do not have a job, and you can go and play your political games. We want a job so we can get on with our lives." That is a basic requirement which gives people independence. If they have a livelihood, they do not depend upon all kinds of programs.

Last year the Opposition called for a bipartisan approach to this problem. We said, "If the Government cannot come up with good ideas, why not share ours?" It was to give the Government some respectability. We said that unemployment should be a priority. We have since seen WA Advantage - although it should be called WA Disadvantage - which allocates one paragraph to unemployment. The Governor's address to Parliament gave more priority to the duck shooting season than it did to unemployment. One would think that we had declared duck shooting seasons for the last five years - we have not. Emphasis should be given to jobs. However, the Government is now patting itself on the back for a drop in the overall unemployment figure, yet youth unemployment - that is, people aged between 15 and 19 years - has increased by nearly half a per cent. People in that age group are looking for their first job. They come out of the system, on which we spend so much money, and they cannot get a job. This is devastating for them, and we simply must do something about it.

The Opposition provided suggestions regarding business incentives, yet the Government derided the package. The Fightback WA package payroll tax policy would result in 17 000 jobs alone. Looking around Australia, one sees the States with the lowest levels of unemployment are Queensland and New South Wales. I have argued in this place before that the difference in the unemployment rate in New South Wales and Western Australia was nearly two per cent - although it is now not as marked as that, but the two per cent equates to 20 000 jobs. Queensland and Western Australia have many similarities in their resource availability. If Queensland can get it right, so can we. New South Wales, the most populous State in this country, has got its programs right. In 1988 that State inherited the largest unemployment rate of all mainland States; however, it has done something about it. Although the Government cannot eliminate unemployment, it can implement measures to do something about it. Last year the Treasurer introduced the Pay-roll Tax Assessment Amendment Bill, which we moved to amend to make all apprentices exempt from payroll

tax. However, the Government spat the dummy and did not proceed with the Bill! The Opposition produced a constructive idea, but the Government rejected it. If the employers of the trainees and apprentices were exempt from payroll tax, people would be training in the workplace and would come through the system with necessary skills after two to five years. It would not be a case of people exploiting youth wages in order to hire a cheap work force. This was a positive suggestion. What was the Government's response? It would not proceed with the suggestion only on the basis that the Opposition came up with the good idea. We also suggested accelerating the capital works programs - although I will not emphasise that measure because it is not a panacea; it is a bandaid measure. The Deputy Premier quoted from the "WA Disadvantage" package, although certain Ministers did not know its content. The poor old Minister for Productivity and Labour Relations did not know about its enterprise bargaining content until she read about it in the newspaper! She had not been consulted. The Premier today claimed credit for the slight dip in the unemployment level; however, this is a double edged sword. If she claims credit for this drop, she must claim credit for the largest unemployment levels since the 1930s. Government members are crowing about this slight drop in the unemployment rate, yet for the last 14 consecutive months the unemployment rate has remained above 10 per cent.

**MR CATANIA (Balcatta) [3.25 pm]:** I am amused when I see motions such as the one under consideration. Although I have great sympathy with the notion that the Government should get on with job creation, I am astounded that the Opposition has produced a motion which suggests that for the rest of our legislative year we should concentrate on job creation. It also claims that nothing has been done in this regard.

The Opposition produced "Baby Fightback" or "Fightback Junior", and I shall concentrate on two aspects of it.

**Mr C.J. Barnett:** Have you read it?

**Mr CATANIA:** Yes, I have.

**Mr C.J. Barnett:** Good.

**Mr CATANIA:** I refer to small business and the tourist industry. What will the Opposition do to those industries, the first of which employs 53 per cent of the working population, and the other which has the potential to create more jobs and create revenue for the Australian and Western Australian economies? The Opposition wants to ride on the back of its Federal colleagues and impose a goods and services tax. What will this do to these industries and job creation in this State? This Government is doing things in order to create jobs in this State - it is part of the Government's responsibility to do so. However, I do not agree with what the junior Fightback package proposes to do; that is, impose a 15 per cent goods and services tax throughout the State. This measure will make small businesses tax collectors for the Government, and the consumers will have less money in their pockets with which to buy products from small business. That is how the Opposition will create jobs.

**Mr Court:** Do you support tax reform?

**Mr CATANIA:** Yes, I do. However, if it is to be in the form of a GST, I certainly do not support it.

**Mr Court:** What will you do?

**Mr CATANIA:** The 15 per cent GST will put the tourist industry under. This industry will create jobs and has an enormous multiplier effect and brings in revenue from all over the world. However, it will be kicked in the rear by Fightback junior. The Opposition has the audacity to move this motion. If members opposite ever get into Government - God help us if they do - this is how they will provide salvation and create jobs; what a laugh that is! The only time members opposite mention small business is when the Government raises the subject in the House.

Several members interjected.

**Mr CATANIA:** The only time the tourism industry is mentioned by the Opposition is when the Leader of the Opposition flies around Western Australia and issues Press statements from various locations saying how he will help the tourism industry. That is hypocritical. The Opposition suggests that the Government is not doing anything about job creation. We are very concerned about the unemployment level.

Mr C.J. Barnett: What are you doing about it?

Mr CATANIA: We are trying to reduce the unemployment level. Members opposite have the utopian view that -

Mr C.J. Barnett: What are your policies? Tell us.

Mr CATANIA: The Government does not like the GST.

Mr C.J. Barnett: What is the alternative; how will you fix it?

Mr CATANIA: I am always amused when a question is responded to with a question. I said to the Opposition that its junior baby Fightback package - whatever one likes to call it - will not resolve the situation. Members of the Opposition asked me what the Government was doing about it. I refer to small businesses.

Mr C.J. Barnett: Don't you realise you don't have a policy!

The SPEAKER: Order!

Mr CATANIA: It is certainly better than that of the Opposition. The Labor Party is in Government and the Opposition will not be in Government if it promotes its junior Fightback program to piggyback on its Federal colleagues' package. They are finding it very hot in the kitchen when trying to promote such a policy. I refer to small business and the retail tenancy legislation introduced by the Labor Government. I refer also to the depreciation allowances which the Federal Government introduced and which were promoted not only by this State Government but also by the tourism industry, which has lobbied for depreciation allowances in order to help promote tourism. Funds have been injected into that industry so that it can be promoted throughout the world. Export allowances and grants are given to small businesses so that they can promote their products and sell them overseas. What alternatives can the Opposition offer?

It is interesting that I cannot see small business and tourism mentioned in the Fightback package. Those two areas offer the most potential to create employment, yet they are not mentioned. Opposition members do not even know how to spell the word "tourism" for heaven's sake! It was 12 years in Government and did nothing about it. It injected \$2 so that matches could be supplied in hotels. The Opposition knows nothing about tourism, yet when the Leader of the Opposition visits Broome he issues a Press statement about the tourist industry; that is the only time he does anything. When he is flying around the State he sees that the industry is pretty good and thinks the Opposition should have something to say about it. He then comes back and asks about job creation. I do not think he even knows how to spell the word "tourism", let alone the words "small business". On a number of occasions we have discussed in this place small business in relation to intrastate -

Mr Cowan interjected.

Mr CATANIA: I am not surprised that the Leader of the National Party said that. He thinks small business is concentrated only in the country areas. I do not think he knows that small business exists in suburbia.

Mr House interjected.

Mr CATANIA: I am sure they do. One part of the country cannot be concentrated on to the exclusion of another. If the two areas for which this Government has a great deal of sympathy are given the opportunity of expanding through the Federal Government's One Nation package and the WA Advantage package the opportunities for employment will be expanded. It is fallacious to say that the Opposition has the knowledge, particularly in these two areas, to be able to create jobs. In conclusion, I am surprised that the Opposition has moved this motion.

Question put and passed.

## ELECTORAL AMENDMENT (POLITICAL FINANCE) BILL

### *Speaker's Ruling*

THE SPEAKER (Mr Michael Barnett): Earlier today the House agreed to suspend Standing Orders to enable the Committee of the Whole to consider a clause of this Bill in several parts. The practice in this area has varied in the past. On occasions, the Committee has taken this matter on itself; on other occasions the authority of the House has been sought. On

reflection, the easiest method of dealing with this in future will be to apply Standing Order No 174 as it also refers to Committee proceedings; it reads -

The House may order a complicated question to be divided.

Applying this to the Committee of the Whole would enable it to order that the question on any complicated clause be divided as the Committee saw fit. The procedure should be initiated only by way of a member's moving a motion in Committee. I do not think it would be appropriate simply for the Chairman to adopt that course without a majority of the Committee's agreeing to it, particularly as it has significant implications for the speaking rights of members and for the potential time taken with the business.

Mr Court: Did we do it wrongly?

The SPEAKER: No; I am suggesting a practice which might be adopted as a convention from now on so that the proceedings do not go backwards and forwards as they did this morning.

### *Committee*

Resumed from an earlier stage of the sitting. The Chairman of Committees (Dr Alexander) in the Chair; Minister for Parliamentary and Electoral Reform (Dr Gallop) in charge of the Bill.

The CHAIRMAN: To go one step further on the Speaker's ruling: After the situation which arose this morning, we checked on previous rulings and, as the Speaker said, they have varied over the years. However, the Speaker's suggestion now gives the Committee power to deal with the matter as it sees fit in each case. That is how I intend to deal with requests such as the one from the member for Marmion this morning.

### **Clause 4: Part VI inserted -**

#### **Proposed section 175A: References and interpretation -**

Progress was reported after the proposed section had been partly considered.

Mr KIERATH: Under the Electoral Act enough smokescreens can be put up to camouflage the donors. Proposed section 175A of this Bill which refers to a body corporate will provide a major loophole. I do not think the legislation will achieve its intent when such a loophole exists. Many of those questions should be addressed by this Chamber before the Bill is passed, but the Minister flatly refuses to do that. Many members are gravely concerned and the more they talk about and look at the proposed sections of this Bill, the more concerned they become that this clause is a sham. It is absolutely deficient in some areas and I hope the Minister will consider re-examining this proposed section.

Dr GALLOP: The reference to corporations in this proposed section is dealt with by the Australian Securities Corporation legislation which deals with what a subsidiary is and what related bodies corporate are. The member for Riverton also raised the concern about whether it is possible to escape disclosure by setting up blind trusts. That is a complex issue. In drawing up this legislation instructions were sent to Parliamentary Counsel to avoid that possibility and that has been done through the various proposed sections. If the Opposition thinks otherwise the Government will be happy to take advice on the matter and amend the legislation in ways that would overcome that loophole. However, this proposed section is clear, the reference to the Corporations Law is clear and the intentions of having that reference are also clear.

#### **Proposed section put and passed.**

#### **Proposed section 175B: Agents of political parties -**

Mr COURT: The definition of "agent" has been explained in proposed section 175, but is this proposed section saying that a political party must have a person who is registered?

Dr Gallop: Exactly.

Mr COURT: Is it also saying that that person then becomes the representative of that political party and if the agent is, say, the president of a party and resigns from the party, another person must immediately be made the agent of that party? What happens if the president of the party was the agent and for one reason or another resigned from the party? Can he still be the agent for the party if he is registered?

Dr GALLOP: No. The party would have to change its agent. Members should look at later proposed sections which deal with what happens to the responsibility when the office of an agent of a political party becomes vacant. That is dealt with at page 10 of the Bill.

Mr CLARKO: There seems to be a distinction between a party and the candidate, which is discussed in the next proposed section which deals with what happens if an agent "evaporates". The responsibility falls on the candidate. No time element is included in the Bill for that replacement. What happens if the agent of a political party disappears? Is there a time frame in which he must be replaced?

Dr GALLOP: The member for Marmion is correct in pointing out that where no appointment is in force under proposed section 175C(1) the candidate becomes the agent and, of course, there is the responsibility also for the candidate to appoint another agent. There is no time line in this legislation for that process.

Mr Clarko: It ties in with what the member for Nedlands has said is a weakness in the proposed section. What you have covered is in the next proposed section. If a chief executive officer resigns the position does not go to the president.

Dr GALLOP: There is a distinction between a candidate and a party. Obviously, a candidate is the candidate for the election and needs an agent in the process of dealing with declarations of political funding. However, there are many candidates and political parties and who will be the next agent does not automatically follow. That is the distinction between the two. Who becomes the agent in the political party and how that is achieved must be established clearly, whereas with the candidate we start off by saying that the candidate is the agent.

Mr COURT: Must the agent for the party then accept all personal responsibility for the operations of the Act? For example, if he breaks the law is he held personally liable for the punishment or penalties, or is a guarantee in place so that responsibility flows back to the party? If so, no-one would want to be an agent if it was too onerous.

Dr GALLOP: The agent is the individual who accepts responsibility for the sections of this Act.

Mr Court: All full personal responsibility?

Dr GALLOP: The penalties that apply to breaking this part of the Bill will apply to that person. Those penalties are outlined later in the Bill.

Mr CLARKO: Many responsibilities exist. We have moved from the political party to individual local elections and all responsibility falls, as the member for Nedlands said, on the person who is the agent. Who will be the agent when he is liable to a fine of \$7 500 if he makes a mistake on the form? I have had the same person as my campaign chairman since 1970. He also authorises the literature that is sent out. Many people are loathe to have their names on the literature, just as many people will be loathe to be described or appointed as an agent because potentially they will be subject to public opprobrium, notwithstanding the proposed section in this legislation which says that action will be taken against people who try to put the finger on someone because he supported somebody else. The Labor Party has put that in the legislation because it knows that is likely to happen. I have given examples in this Parliament before of its happening. The agent will have vast responsibilities and some of the tasks will be very difficult for him or her to do as a volunteer. The member for Nedlands referred to the head of the Liberal Party who is the State Director; he is a senior paid employee. There is a big difference between a paid employee and a volunteer.

This provision will apply to everybody. I found this marvellous fellow who has worked hard for me for 20 years. I will now have to ask him to be an agent. I am not sure what his reply will be.

Mr Court: If he were a senior public servant, there would be no way that he would want his name made public. If he were not the person authorising your material but ran your campaign and you wanted him as an agent, he would not want to be identified.

Mr CLARKO: I am sure the member is right. It would put a tremendous amount of pressure on him.

Mr Kierath: He may have business interests with the Government of the day and would be very sensitive about having his name mentioned as an agent.

Mr CLARKO: He certainly would. We all know how Governments can put pressure on people to get them to do as they want. This provision, like the "gift", is another shiralee for members of the community. For those who are not aware, a shiralee is a burden; in fact, a very nice film was made about a young girl being a shiralee. We are placing extra burdens on people who have genuine commitments to supporting politicians and many good people are involved in that side of political life on both sides of the fence. I have been around for a long time and I know the people on the other side. I respect many of them for trying to do what they believe they should do, which is basically to get rid of me. They take their roles in the community very seriously. Now the Government wants to make them agents. I would like the Minister to explain what would happen if a candidate did not have an agent and had to be the agent himself. In that sense, the candidate would have access to all of the information that goes before the campaign committee, especially information relating to donations which is the core of what we are dealing with. It is incongruous that, in the past 20 years, I have been aware only of some donations, usually by accident but, under this provision, if I did not have an agent because I could not persuade a friend who is a public servant to be my agent, I would then be aware of all information and subject to this provision.

Mr BRADSHAW: This is one of the provisions to which I referred in the second reading debate where I believe the Government is putting obstacles in the paths of candidates. Everybody has the right to be a candidate for election to political office. This will put the fear of whatever into those people.

Dr Gallop: Don't you believe in God any more?

Mr BRADSHAW: I do, but it is not appropriate to use that term here. This provision will put fear into those people because, as candidates, they may be subject to a fine of \$7 500 if they stand as an Independent or even if they are a party candidate. The provision will also affect candidates' helpers because anyone who acted as an agent would also be liable to a fine of \$7 500 under these provisions. All that would be needed would be a vindictive defeated opponent of a candidate to go through this Bill to find some way to get at the person who beat him at the polls. Being subject to a court case or a charge will be an impediment to most candidates or agents in future elections.

Dr GALLOP: All candidates for election in the United Kingdom have agents who accept responsibility. They have never had any difficulty in finding people to do that job. Commonwealth and New South Wales legislation require candidates to have agents. Important responsibilities go with that job. As I have argued throughout the debate, we are legislating to make it mandatory for anyone who wants to participate in elections and raise money to comply with these procedures and it will clarify, regularise and clean up those procedures. It has not proved to be a problem for candidates to get agents in the UK or in other States. In fact, I think it is a good thing for our political system.

Mr CLARKO: The Minister cannot draw a direct parallel between the situation in Australia and the situation in the United Kingdom. Both systems are quite dissimilar. The United Kingdom has an independent Speaker. In fact, Betty Boothroyd - I think that is her name - has just been elected by the House of Commons. The Conservatives could have put in a Conservative Speaker, but they chose to appoint Betty Boothroyd as Speaker because she had been an outstanding Deputy Speaker. A very good friend of mine who has been knighted and who was once private secretary to Maggie Thatcher when she was Minister for Education many years ago returned from the UK recently. A former member of the Legislative Council told me yesterday that our mutual friend had voted for Betty Boothroyd even though she is on the other side of the political fence. We are much more partisan in this country. I have referred already in this place to an Osborne Park businessman being told to donate to the local branch of the Labor Party or his business would be affected. Fierce partisan positions are adopted by the Labor Party, the Liberal Party and the National Party in Australia. Therefore, it would be much more dangerous for someone to be an agent in Australia than it would in the United Kingdom because there is potential for pressure to be placed on that person. That is why we have this clause at the end of the legislation.

Dr GALLOP: I am in absolute agreement with the member for Marmion in his description of the differences between the British Parliament and this Parliament. The most obvious of those differences is that the House of Commons has approximately 650 members and there



are 57 members in this Chamber. His observation about the way it works is true. However, in respect of the politics within the constituencies in the United Kingdom, I can assure him that the contest between the Conservative Party, the Labour Party and the Liberal Democrats is very intense, in exactly the same way that it is intense in our electorates. I agree with his point about the differences between the two Parliaments, but the analogy cannot be drawn between the constituencies and, therefore, the problems within the sphere of agencies are no different from those in our country. Since the British system does not have any problem with the provisions in this area, I do not think any problems will arise in Western Australia.

**Proposed section put and passed.**

**Proposed section 175C put and passed.**

**Proposed section 175D: Agents of groups -**

Mr CLARKO: In Federal elections for the Senate the Independent members are grouped on the ballot paper. Is it proposed to introduce an arrangement to group Independent members in Legislative Council elections?

Dr GALLOP: In Legislative Council elections we do not group the Independent candidates in the way they are grouped for Senate elections.

**Proposed section put and passed.**

**Proposed section 175E: Eligibility for, and notice of, appointment -**

Mr CLARKO: In proposed subsection (3) it is stated that a person who has been "convicted of an offence against this Part in relation to a particular election" is not eligible to be appointed or hold office as an agent in relation to any subsequent election. I remind members of Bob Hogg, a former general secretary of the ALP, who was convicted for not revealing certain donations made to the party. He claimed that he had made an error in not declaring those donations. I am not competent to judge whether that was a genuine excuse but, even if it were, under the provisions in this Bill it would still constitute an offence. It will be very easy for people who become the agents of political parties to make mistakes and in five years' time it could be that the four most senior office holders of a party would not be eligible for appointment as an agent. The more junior person within the organisation eligible for appointment as an agent might then not be able to do the job properly.

Mr COURT: Is it necessary for the person appointed as an agent to be an Australian citizen? Further, must that person also be on the electoral roll? Could a person living overseas be appointed as an agent?

Dr GALLOP: It appears that the person appointed must be a natural person over the age of 18 years.

Mr Kierath: What is an unnatural person?

Dr GALLOP: The term "natural person" is a legal term. The member for Nedlands has raised an interesting point and I will obtain further advice on it.

Mr COURT: Am I correct in assuming that an agent for a political party could be a person living overseas?

Dr Gallop: It may be possible but I will take advice.

Mr COURT: I can envisage all sorts of agents being appointed. Bearing in mind that we are talking about a democratic election of the Government of this State, it is proper that any person appointed should be an Australian citizen. As such, that person would be on the electoral roll. The proposed subsection is vague and loose.

Dr GALLOP: I will take further advice on the matter, and if there is some difficulty in this area it can be reconsidered in another place.

**Proposed section put and passed.**

**Proposed section 175F: Registration of agents of political parties -**

Mr CLARKO: Under the provisions of this proposed section the Electoral Commissioner will apparently keep a register of the names of those people who have agreed to be agents for political campaigns. Other people will have access to that register and will be able to identify those agents. I do not think it is necessary to keep this register or that anything will

be gained from it. Literature produced in an election campaign must be authorised by a person on behalf of the candidate or party. I understand the reason for that because it may be necessary to find the source of a statement in a pamphlet in cases of libel and so on. However, that will not stop unauthorised pamphlets appearing from time to time with all sorts of scurrilous material in them. To give an example, when one of my helpers was delivering leaflets in Carine, he saw some pamphlets that were being blown around on the footpath, and when he picked up one of those pamphlets he found that it contained all sorts of scurrilous allegations against Sir Charles Court. I guess one could take up that matter with the Electoral Commission, but one would not gain much. People can get away with that sort of thing, yet we have here a situation where the names of the agents will have to be listed, and where the public will have access to that list. I agree that we should have an agent or someone with whom we can deal from a practical point of view, but I do not believe that list should be made public.

**Mr BRADSHAW:** The clause refers to an agent of a political party but not to an agent of a candidate. Will an agent of a candidate have to be registered?

**Dr GALLOP:** Parties will have to make a return each year and outline the sources of donations. There is a continuity about political parties. That is not the case for candidates, who pop up from time to time during elections and exist only for the purpose of an election. The reason for the register is that we need to record who is the agent for a political party so that we will have a clear notion of who is responsible for the conduct of that party in respect of this clause. The ability of the Electoral Commissioner to make public that register is determined later in the Bill when it refers to the public having the ability to obtain copies of returns, but no reference is made to details about who is the particular political party's agent. It does not follow automatically from what the member is saying that the register will be a publicly available document. What can be made publicly available under this Bill will be revealed later when we talk about disclosure. Therefore, the notion of someone just rolling up and wanting to know who are the agents of political parties does not follow, as I read the Bill.

**Mr CLARKO:** I see no fundamental problem in listing, for example, the General Secretary of the Liberal Party as the agent of the Liberal Party of Western Australia. My comments were directed to the agents of individual candidates, who are drawn from far and wide. It should not be essential to publicise the reports from those agents.

**Proposed section put and passed.**

**Proposed sections 175G to 175I put and passed.**

**Proposed section 175J: Responsibility when office of agent of political party vacant -**

**Mr CLARKO:** This clause will move the responsibility from the agent to other people. It states that, when there is no agent of a political party, the responsibility will move to the executive committee of the party. I note that the definition of a "party" does not necessarily mean all the parts of that party. Therefore, are we talking about the agent for the Western Australian Liberal Party and, if it does not have an agent, the State Executive of the Liberal Party? Will this apply also to individual electorates; for example, Marmion or Victoria Park?

**Dr GALLOP:** This clause is referring to a political party generally, and if there were no agent of that party, the executive committee would take on that responsibility.

**Mr CLARKO:** The Minister will appreciate that there is a monumental difference between the State Executive of the Liberal Party and the State Executive of the Labor Party. The Liberal Party has in the order of 25 members on the State Executive. I understand that the Executive of the State Labor Party comprises 100 people.

**Dr Gallop:** The "executive" that is referred to here would be what the Labor Party calls the Administrative Committee, which has 19 members, and which is the chief executive body.

**Mr CLARKO:** Have I been wrong as a student of politics in this State to assume that when the Labor Party has a meeting of the State Executive there are 100 people, and Peter Kennedy from the Australian Broadcasting Corporation goes along? Is the Minister now saying that the State Executive of the Labor Party comprises not 100 people who come to meetings on Monday nights, but something else?

**Dr GALLOP:** The essential point is that parties will not be able to dodge their responsibility

to lodge a return by failing to have an agent, because when they do not have an agent for any reason, the executive committee of the party will have that responsibility. The term "executive committee" is understood by most of us. It is my understanding in respect of the Labor Party that we would be referring here not to the group which we call "the State Executive", which is a unique group in Australian party administrations, but to the Administrative Committee of the party, which is the executive body that deals with the organisation of the State Executive and State Conference and acts from day to day to deal with the purposes of the party.

**Proposed section put and passed.**

**Proposed sections 175K and 175L put and passed.**

**Proposed section 175M: Relevant details of gifts -**

Mr CLARKO: Paragraph (a) states that in respect of a gift made on behalf of the members of an unincorporated association, the name of the association and the names and addresses of the members of the executive committee of the association must be disclosed. The Minister has just indicated that there is a great deal of room to move, because he has stated that the Australian Labor Party will use the Administrative Committee rather than the Executive Committee. I know of bodies that have no executive. I know of bodies that have a chairman, a secretary, and a treasurer, and all the rest, but are not incorporated bodies. They operate in a loose way, and the officers are not described as members of an executive committee. Separate meetings are not held. Furthermore, many of the people involved would be embarrassed at the thought of having their names splashed across the media.

What will be the effect of including the words "however described" after the words "executive committee"? Will some clerk at the Electoral Commission make a decision about what constitutes the executive of an association which is not incorporated? Paragraph (b) refers to a gift purportedly made. I like that word "purportedly", but it is an unusual word to use in legislation. Is the suggestion that someone may tell pork pies? When money comes out of a trust fund or from the funds of a foundation, will the names and addresses of the trustees be made public? A person could set up discretionary trusts. A member could place his and his wife's assets in a discretionary trust and call it, say, the Frankland River Trust.

Mr Kierath: What about the Brian Burke benevolent fund?

Mr CLARKO: I will not go into that; I am trying to avoid corruption. This "Frankland River Trust" could be formed by a family group and could use the name and address of a lawyer as the name and address of the trust. A recent example of that was in the case of Yosse Goldberg when the name and address of Leon Musca, a prominent lawyer, was used as the name and address of a trust. Could it not be said that a trust using only the name and address of a lawyer could make a contribution to a local campaign and, when one tried to identify the source of funds, one could go no further than the lawyer's name and address, because that would be sufficient to fulfil the requirements of this Bill? If so, one could have the instance that I described earlier of the "Frankland River Trust". Who knows what sort of trust could be set up. The Mafia could set up a trust; any group that had in mind to deliberately set up something could do that - such as Brian Burke with his advertising campaigns. A group could come together with a trust and make donations to whomever it liked - an individual or a political party. We would have nothing more than a name of a lawyer as the source of funds for an individual campaign, or perhaps for each of the 57 campaigns.

I suggest a serious problem exists in this area in the legislation. The Minister said as much in his second reading speech both late last year and when he introduced the new Bill a few weeks ago - on April Fool's Day. The Minister stated -

The use of foundations, trusts and out of State organisations through which to channel donations in order to avoid disclosure of the original donation is harder to regulate.

He gave the reasons. Perhaps the Minister will correct me, but I believe it will be possible in the future with this legislation for money to be donated for political and election purposes which cannot be clearly identified. I have spoken to several people who are knowledgeable in the area of trusts who say it is not possible to go back beyond that point - and this is the great weakness of the Bill. The Minister has admitted those weaknesses; the legislation is not watertight.

What would be the outcome in the case where little Mary Smith with her \$250 donation is forced to reveal her name and address and has it splashed throughout the media? Perhaps the Mafia could set up a blind trust and make donations which would appear on the return of the Electoral Commission. Other areas of the legislation state that a donation must be for electoral purposes. The money must be used for an election. With a four year term, does it mean that after a member has served one year he could be approached by a person of financial substance wanting to give the member, say, \$50 000 to help him with his work as a member of Parliament? It is not for election purposes; it is a donation of \$50 000 to assist the member perhaps to travel throughout Australia or throughout the world. The money will enable the member to gain a better knowledge of his job. The member may be the shadow Minister for Mines. The donor might say that it would be a good idea - because he owns a couple of mines - for the member to benefit from travelling to South America to look at how iron ore is taken from Brazil, and other places, and shipped to Japan. He could also look at the Pilbara. This donation would assist the member to be a good member. The question is whether the money is for electoral purposes. I wonder whether people such as Senator Kennedy, and others of that kind, who have huge foundations and trusts behind them, receive huge sums of money which enable them to travel the world to learn more about politics and other issues.

Mr Strickland: How could it be denied that it was for political purposes, if good policies were developed as a result of travel and a person were elected as a result? It must be for electoral purposes.

Mr CLARKO: Could the Minister respond to my questions about blind trusts and how much detail must be provided?

Dr GALLOP: This legislation stands alone when dealing with funding for candidates, parties, groups, and Independents in the election process and casts the net as widely as it can looking at the sources of money they use. I draw the attention of the member for Marmion to a very important piece of legislation which has been rejected a couple of times in this place and which the Premier will be reintroducing - that is, the Members of Parliament (Financial Interests) Bill 1989.

Mr Kierath: It has been on the Notice Paper for a long time.

Dr GALLOP: The member for Riverton has not been in this Parliament long enough to know that it has been defeated on a number of occasions. It will deal with the so-called Senator Kennedy issues that were raised.

The inclusion of "however described" in proposed section 175M(a)(ii) was to deal with the problem that the member for Marmion was addressing in that executive committees have different names in different parties. The word "purportedly" is included in this proposed section, as it is in the Commonwealth's legislation, and is one of those legal-type issues on which I will check. The central point made by the member for Marmion related to trusts. This issue is dealt with, by my reading of the legislation, under proposed section 175Q. That is the innovative section of this legislation as opposed to other Acts that have existed in Australia - that is, to catch the silent trust, to use the expression of the member for Marmion. It will catch the ultimate sources of the money that goes to the political party or candidate. We need to discuss this issue in the context of proposed section 175Q.

Mr Clarko: Will the Minister seek to bring before this Parliament a definitive comment on trusts and blind trusts and whether people can distance themselves in the way in which I have described?

Dr GALLOP: I took up this matter with the Parliamentary Counsel by outlining our philosophy on this Bill, and proposed section 175Q was included to deal with that problem. If further amendment is required because of the expert advice that the Opposition could provide on trusts and the way in which they can be created, the Government would be only too happy to listen. However, we went to the Parliamentary Counsel to overcome that loophole and, if we have not done so satisfactorily, we will take on board the member's advice. In respect of members of Parliament and their financial interests, I hope the member for Marmion does not forget the points he has made when we come to debate the Members of Parliament (Financial Interests) Bill. I look forward to the member's support for that Bill as well as a reconsideration of this Bill.

*Progress*

Progress reported and leave given to sit again, on motion by Dr Gallop (Minister for Parliamentary and Electoral Reform).

**SITTINGS OF THE HOUSE - WEDNESDAY EVENINGS**

**MR PEARCE** (Armadale - Leader of the House) [4.35 pm]: I advise members that because of the lack of progress the Government is making in its legislative program and the fact that only three weeks of the session remain it is the intention of the Government to sit on Wednesday evenings until the end of the session.

**Mr Watt**: What about the talk of the extra week?

**Mr PEARCE**: I discussed with the Leader of the House in the Legislative Council the idea that the Legislative Council may go back to the old practice of sitting a week longer than the Legislative Assembly so we can deal with legislation up to the last. When the Legislative Council has not sat longer than this House we have been precluded from doing much in the last week of the session. It is my understanding that the Legislative Council will sit a week longer. The Legislative Assembly will not, but will sit on Wednesday nights from next week.

**Mr Clarko**: I understand the situation in terms of the business of the House, but as part of the brilliant effort of the Leader of the House at running this House he took it upon himself to give members a week's notice of an extended sitting.

**Mr PEARCE**: Yes, I apologise for that but the decision really was only made in the last day or so.

*House adjourned at 4.37 pm*

---

# QUESTIONS ON NOTICE

## SCM PLANT, KEMERTON - EFFLUENT DISPOSAL, DALLYALLUP SITE *Future Disposal and Impact Studies*

143. Mr BLAIKIE to the Minister for the Environment:

- (1) Would the Minister advise whether he intends to continue to use the Dallyallup site for disposal of effluent from the CM plant at Kemerton?
- (2) What studies have been undertaken to ascertain whether the effluent will have any impact on the Dallyallup and adjacent Geographe Bay area?
- (3) If yes to (1), would the Minister table papers and projected results?
- (4) If not, why not?

Mr PEARCE replied:

- (1) The Environmental Protection Authority has assessed a proposal by SCM to continue to dispose of solid wastes at Dallyallup for a further two years, until March 1994. The Environmental Protection Authority recommended that the proposal is environmentally acceptable, and I have set the environmental conditions under which the proposal can proceed.
- (2) SCM has carried out extensive monitoring of its disposal operations at Dallyallup.
- (3)-(4) The results of the studies are outlined in reports which are available to the public in the Environmental Protection Authority's library.

## NATIONAL PARKS - MT LESUEUR *Opening Costs - Departmental Branch and Budget Responsibility*

144. Mr McNEE to the Minister for the Environment:

- (1) Would the Minister provide a comprehensive breakdown of the costs involved in the opening of the Mt Lesueur National Park?
- (2) To which budget and departmental branch were these costs allocated?

Mr PEARCE replied:

- (1) The costs involved from the departmental budget were - vehicle costs, \$1 330 approximately, and lunch, \$123.25.
- (2) CALM's Crawley cost centre.

## MINING INDUSTRY - MINING LEASE 70-690, COOROW SHIRE *Letter of Intent to Environmental Protection Authority*

184. Mr COWAN to the Minister for the Environment:

- (1) Was a letter of intent regarding mining lease 70/690 in the Coorow Shire sent to the Environmental Protection Authority on 27 November 1991?
- (2) On what date was the matter referred to the Minister?
- (3) Can the Minister advise when a decision will be made?

Mr PEARCE replied:

- (1) Yes.
- (2) On 18 December 1991 an appeal on the assessment level was lodged with me.
- (3) The appeal was dismissed by me on 20 March 1992.

## NATIONAL PARKS - PURNULULU (BUNGLE BUNGLE) *Airstrip Construction*

218. Mr MacKINNON to the Minister for the Environment:

- (1) Has an airstrip been constructed within the Purnululu (Bungle Bungle) National Park?

- (2) Who constructed the airstrip?
- (3) At what cost was the airstrip constructed?
- (4) Have expressions of interest to operate tourism services on this strip now been invited?
- (5) If so, when do those invitations close?
- (6) Are there limits within that invitation as to the use of the strip?
- (7)
  - (a) If so, what are those limits;
  - (b) why have they been imposed?
- (8) When will an announcement be made as to the use of the strip?

Mr PEARCE replied:

- (1) Yes.
- (2) CALM.
- (3) Approximately \$146 000.
- (4) Yes, by a newspaper advertisement on 22 February - 12 month trial period.
- (5) They closed on Friday 20 March.

(6)-(7) The expression of interest documentation advises that CALM will assess the environmental acceptability of all applications for commercial use of the airstrip. However, as the use of this facility will precede the completion of a management plan for the park and also any major redevelopment of visitor facilities, CALM has indicated that some limitations as to the number of flights and passengers may be necessary to protect the park environment and maintain the overall visitor experience and enjoyment of the area.

- (8) As soon as analysis of submissions is complete.

**WILDFLOWERS - PICKERS, STATE FORESTS**  
*Regulations Amendment Plans*

219. Mr MacKINNON to the Minister for the Environment:

- (1) Is the Government planning to amend the regulations relating to wildflower pickers who operate in State forests?
- (2) If so, when is it expected that the regulations will be released for public comment prior to being tabled in the Parliament?
- (3) What sections of industry have been consulted during the redrafting of the regulations?
- (4)
  - (a) Is the redrafting of the regulations based on any agreement between the Heritage Commission and Department of Conservation and Land Management;
  - (b) if so, what is the nature of the agreement in relation to wildflower pickers?

Mr PEARCE replied:

- (1) No, but the Government intends repealing and replacing the Wildlife Conservation Act 1950.
- (2)-(4) Not applicable.

**WILDERNESS SOCIETY - ABORIGINAL WILDERNESS NATIONAL PARK  
AND MARINE NATIONAL PARK, NORTH KIMBERLEY REGION PROPOSAL**  
*Government Consideration*

276. Mr COURT to the Minister for the Environment:

- (1) Has the Government considered the proposal by the Wilderness Society for

the establishment of a world class Aboriginal owned wilderness national park and marine national park in the north Kimberley region of Western Australia?

- (2) If so, does the Government support this proposal?

Mr PEARCE replied:

- (1) The proposal has been presented to the Government by the Wilderness Society.
- (2) The matter is still under consideration, but I have publicly expressed a number of reservations about the proposal.

#### WINDIMURRA DEVELOPMENT - PUBLIC ENVIRONMENTAL REVIEW

277. Mr COURT to the Minister for the Environment:

- (1) Further to question 1999 of 1991, why was the Windimurra development subject to a public environmental review?
- (2) What is the current progress of this review?

Mr PEARCE replied:

- (1) I am advised that the Environmental Protection Authority considered that the potential environmental implications of the project required assessment at the level of public environmental review.
- (2) The public review period to the public environmental review closed on 20 March 1992. A summary of the public submissions was given to Precious Metals Australia on 26 March. Precious Metals Australia currently is preparing its written response to issues raised in submissions.

#### GOVERNMENT DEPARTMENTS AND AGENCIES - MINISTER FOR THE ENVIRONMENT

##### *Powers to Enter Private Homes with No Warrant or Court Order*

301. Mr NICHOLLS to the Minister for the Environment:

- (1) (a) Which departments or agencies administered under Statutes for which the Minister has ministerial responsibility, have the right to enter a person's home without a warrant or court order;
- (b) which Act(s) provide this right?
- (2) How many times have these powers been used in the previous 12 months?

Mr PEARCE replied:

See the Premier's response to question 299.

#### GOVERNMENT DEPARTMENTS AND AGENCIES - MINISTER FOR TRANSPORT; RACING AND GAMING; TOURISM

##### *Powers to Enter Private Homes with No Warrant or Court Order*

302. Mr NICHOLLS to the Minister for Transport; Racing and Gaming; Tourism:

- (1) (a) Which departments or agencies administered under Statutes for which the Minister has ministerial responsibility, have the right to enter a person's home without a warrant or court order;
- (b) which Act(s) provide this right?
- (2) How many times have these powers been used in the previous 12 months?

Mrs BEGGS replied:

The member is referred to the response to question 299.

#### OPHTHALMIA DAM - ENVIRONMENTAL PROTECTION AUTHORITY

##### *Impact on Aquifers Inquiry*

329. Mr COWAN to the Minister for the Environment:

Has the Environmental Protection Authority investigated the effect of the Ophthalmia Dam on aquifers?



Mr PEARCE replied:

No. The Water Authority of Western Australia prepared a report, "Assessment of the Hydrological Impact of Ophthalmia Dam", WAWA Report No WS 80, 1991.

**FORESTS - DRAFT STRATEGY REVIEW**

384. Mr MacKINNON to the Minister for the Environment:

- (1) Has the Government completed a draft forest strategy review?
- (2) If so, who completed the review?
- (3) What is the status of the review?
- (4) Has the review been made public?
- (5) If not, why not?

Mr PEARCE replied:

- (1) Yes.
- (2) The review was completed by officers of CALM.
- (3) The review is a draft and has no official status as yet.
- (4)-(5) Yes, on 5 February 1992 for three months public comment.

**CONSERVATION AND LAND MANAGEMENT, DEPARTMENT OF -  
AUSTRALIAN HERITAGE COMMISSION  
*National Estate Agreement***

385. Mr MacKINNON to the Minister for the Environment:

- (1) Has the State Government concluded an agreement between the Department of Conservation and Land Management and the Australian Heritage Commission concerning the National Estate?
- (2) If such an agreement has been signed between departments or agencies of the Federal and State Governments, can the Minister explain the status of the agreement and whether such agreement is formally endorsed by both Governments as distinct from departments or agencies?
- (3) What are the main effects of the agreement?

Mr PEARCE replied:

- (1) The Department of Conservation and Land Management and the Australian Heritage Commission have signed a draft agreement which is subject to public comment and Government review.
- (2) The draft agreement is a memorandum of understanding between CALM and AHC over management of National Estate value in the Department of Conservation and Land Management's southern forest region. It has not been formally endorsed by either Government yet as it and the draft review of forest management strategies are available for public comment and may be amended in the final form.
- (3) In the memorandum of understanding CALM states it will manage the forests to sustain identified National Estate values on a regional basis, and the AHC states that it considers the joint work to be an adequate assessment of those values and a suitable framework for Commonwealth consideration under section 30 of the Australian Heritage Commission Act of timber production proposal for the region. The effect of this will be to eliminate the use of the National Estate as a source of dispute between the State and Commonwealth on forest management for timber production.

**SCHOOLS - PRIMARY**  
*Earlier Commencement Age*

489. Mr MINSON to the Minister representing the Minister for Education:

- (1) Does the Government intend to bring in an earlier school commencement age for primary students?
- (2) If so, when?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

(1)-(2)

The Government has made no decision to implement any changes to school starting ages. At the Premiers' Conference held in Adelaide last year the question of providing national uniformity on the age that students commence school was discussed. The Ministry of Education has been asked to examine the implications of this.

**EMPLOYMENT, VOCATIONAL EDUCATION AND TRAINING, DEPARTMENT  
OF - FULL-TIME EQUIVALENT NON-TEACHING STAFF**  
*Employment Statistics*

520. Dr CONSTABLE to the Minister representing the Minister for Employment and Training:

- (1) How many full-time equivalent non-teaching staff, including head office staff, are currently employed throughout the Department of Vocational Education and Training?
- (2) How many full-time equivalent non-teaching staff were employed before the restructuring of the Department of Technical and Further Education into the Department of Employment, Vocational Education and Training?

Dr GALLOP replied:

The Minister for Employment and Training has provided the following reply -

- (1) 1 331 FTEs as at 31 March 1992.
- (2) 1 367.

**TAFE - PART-TIME ENROLMENTS**

529. Dr CONSTABLE to the Minister representing the Minister for Employment and Training:

- (1) How many students at technical and further education colleges enrolled on a part-time basis in 1991?
- (2) How many students at TAFE Colleges are enrolled on a part-time basis in 1992?

Dr GALLOP replied:

The Minister for Employment and Training has provided the following reply -

- (1) 111 439.
- (2) 45 940 as at 28 February 1992. Second semester enrolments will provide additional data.

**INDUSTRIAL LANDS DEVELOPMENT AUTHORITY - NEW COMPUTER  
HARDWARE AND SOFTWARE CONTRACTS**  
*Signing Date*

546. Mr COURT to the Minister for Lands:

On what date were the contracts to supply the new computer hardware and software for the Industrial Lands Development Authority signed?

Mr D.L. SMITH replied:

18 December 1991.

**PULP MILL - NEGOTIATIONS STAGE**  
*Location and Size*

551. Mr COURT to the Minister for State Development:

- (1) At what stage are the negotiations for a paper and pulp mill as recently announced by the Premier's Office?
- (2) What is the expected location of this paper and pulp mill?
- (3) What is the size envisaged?

Mr TAYLOR replied:

- (1) The Premier's office announced that Government would be seeking expressions of interest internationally for the planning and construction of a eucalypt pulp mill in Western Australia. An information document is being prepared to facilitate this process. Following preparation, expressions of interest will be sought by advertising and by specific approaches to some companies. Already some companies have notified an interest in the proposal.
- (2) The location of the mill has not yet been determined. Studies are in progress and others are planned which will provide the basis for site selection.
- (3) The size of the mill will be determined by the particular marketing opportunity open to the developer and the technology required to meet the pulp specifications.

**SCHOOLS - MT BARKER SENIOR HIGH**  
*Upgrading Staff and Administration Facilities*

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

- (1) Is there an urgent need at the Mt Barker Senior High School for an upgrading of the school's administration and staff facilities including a reprographic area, medical room facilities, an interview room, and offices for the registrar, psychologist and youth education officer?
- (2) What would be the cost of upgrading the staff and administration facilities to provide -  
a reprographic area;  
medical room facilities;  
an interview room;  
registrar office;  
psychologist's office;  
youth education office?
- (3) Will the Minister undertake to provide funding for the upgrading of the staff and administration facilities in the 1992-93 budget?

Dr GALLOP replied:

The Minister for Education has provided the following reply -

- (1) There are a number of schools throughout the State including Mt Barker Senior High School which require an administration upgrade.
- (2) \$325 000.
- (3) The needs of the Mt Barker Senior High School will be given due consideration in relation to the Statewide needs of all schools when the 1992-93 Budget is prepared.

**TOURISM CENTRE OF EXCELLENCE - ESTABLISHMENT COMMITMENT**

577. Mr MacKINNON to the Minister for Tourism:

- (1) What commitment has the Government made to the establishment of a Tourism Centre of Excellence in Western Australia?

- (2) When is the centre to be established?
- (3) Where is the centre to be established?
- (4) What funds will be provided by the Government for the establishment of the centre?
- (5) What will be the source of those funds?

Mrs BEGGS replied:

- (1) The Government is committed, through the WA Advantage, to the establishment of a hospitality and tourism college of excellence to cater for the increasing demand for hospitality and tourism courses and to provide a higher level of training to meet the Government's commitment to tourism.

(2)-(4) The location, cost and time of establishment of the college will be decided following consideration of a forthcoming report on preferred option/s and costs of implementation being prepared by the Department of Employment, Vocational Education and Training, after which a working party will be convened.

- (5) Government has a number of options available for the funding of infrastructure projects, all of which will be considered in relation to this college.

#### ROADS - YORK ROAD, GREAT EASTERN HIGHWAY

##### *Resurfacing - Unsatisfactory Surface Condition*

596. Mr McNEE to the Minister for Transport:

- (1) Has the York Road from the Great Eastern Highway been recently resurfaced?
- (2) Are there underlying faults in the road which would lead to the present unsatisfactory condition of the surface?
- (3) If no to (2), what is the cause of the problem?

Mrs BEGGS replied:

- (1) No.
- (2) The Main Roads Department is not aware of any major sections of the surface of the road that are unsatisfactory.
- (3) Not applicable.

#### ROADS - FEDERAL ROAD FUNDING PROJECT SIGNS

##### *Erection Costs - Requirement Refusal Consideration*

606. Mr McNEE to the Minister for Transport:

With reference to question on notice 1515 of 1991 -

- (a) in view of the large costs involved, has the Minister considered refusing to comply with the requirement;
- (b) if not, why not?

Mrs BEGGS replied:

- (a) No.
- (b) The signs are required by Federal legislation.

#### LOCAL GOVERNMENT - CANNING CITY COUNCIL

##### *Commissioner Gregorini's Information to Ratepayers - 'Canning Concern' and Farewell Letter Cost*

611. Mr KIERATH to the Minister for Local Government:

Would the Minister provide the total costs (including preparation, printing and distribution) of the following information circulated to the City of Canning ratepayers by Commissioner Gregorini -

- (a) each issue of the publication *Canning Concern*;
- (b) the Commissioner's farewell letter of 24 April 1992?

Mr D.L. SMITH replied:

The question seeks information on matters outside my jurisdiction as Minister for Local Government and therefore it is not appropriate for me to respond. The information should be sought from the City of Canning.

**LOCAL GOVERNMENT - CANNING CITY COUNCIL**  
*Resignations; Redundancies; Dismissals*

619. Mr KIERATH to the Minister for Local Government:

With respect to the City of Canning, how many staff and employees have -

- (a) resigned;
  - (b) been made redundant;
  - (c) been dismissed;
- during the years -
- (d) 1989;
  - (e) 1990;
  - (f) 1991;
  - (g) to 1 May 1992?

Mr D.L. SMITH replied:

See response to question 611.

**WESTRAIL - REVIEW TEAM**  
*Employee Representatives*

620. Mr KIERATH to the Minister for Transport:

- (1) With respect to the review team appointed to implement the major structural changes designed to take Westrail through the next five years, will there be any Westrail employee representatives on this team?
- (2) If not, how will the Minister ensure that employees have an opportunity for consultation in the determination and implementation of these major changes?

Mrs BEGGS replied:

- (1) No.
- (2) A program of employee information and consultation will take place after the review team has completed its preliminary report.

**PERTH FORESHORE PROJECT - CURRENT POSITION**

628. Mr MacKINNON to the Minister for Planning:

- (1) What is the current position with the Perth Foreshore redevelopment proposal?
- (2) When will a final decision be made as to what plans will be adopted for this proposal?
- (3) When is it expected that this proposal will be proceeding?

Mr D.L. SMITH replied:

- (1) At the present time, State Cabinet and the City of Perth are jointly considering whether to proceed with the Perth foreshore project. A decision can be expected shortly.
- (2) If it is decided to proceed, the next phase of the project will be the preparation of a master plan for the foreshore which will define an agreed development concept and a strategy for implementation. This phase is expected to take a year to complete.

- (3) Subsequent phases are expected to involve the preparation of detailed designs and documentation for specific components of the master plan, followed by staged development and construction of those components over a number of years. It is unlikely that any physical development could commence before the 1994-95 financial year.

### QUESTIONS WITHOUT NOTICE

#### SCHOOLS - FIVE YEAR OLDS

##### *Full Time Education*

140. Mr FRED TUBBY to the Premier and Treasurer:

Notice of my question has been given.

- (1) What priority is the Government giving to the full time education of five year old children?
- (2) (a) Has this initiative been costed?  
(b) If so, what is the anticipated total cost for infrastructure and staffing on implementation and the anticipated recurrent costs?
- (3) If it is to be introduced, how does the Government intend funding this initiative?

Dr LAWRENCE replied:

(1-3)

I thank the member for some notice of this question since it does not come under my portfolio area and a Minister in another place handles this issue.

I am sure that members are aware that five year old children in Western Australia have four half days per week at school as opposed to what is available in the independent schools sector and in other States. The Government is giving that question careful and serious examination and is working through the recurrent and capital costs and, at the same time, the educational and other benefits. The Ministry is examining this issue in detail and obviously will take into account the issues members opposite may wish to raise in considering that question. A decision will be made in due course.

#### EMPLOYMENT - LABOUR FORCE FIGURES

##### *Labour Market Status*

141. Mr P.J. SMITH to the Premier:

What do the labour force figures released today indicate about the state of the Western Australian labour market?

Dr LAWRENCE replied:

I would like to draw the attention of the House to what I think is a significant improvement in today's unemployment figures in Western Australia. I hope members are aware that the unemployment rate fell from 11.2 to 10.5 per cent. While I am very conscious of the fact that month by month indicators are not necessarily a reliable indicator of long term trends, nonetheless recent figures suggest there is underlying strength in Western Australia's economy and it has a real capacity to lead the nation out of unemployment. While I would not want to leap up and down about the current position, because the unemployment rate is far too high, it does give us cause for optimism. I hope that later today when we are debating a matter of public importance these issues will be addressed in a sensible way.

It is worth noting that Western Australia recorded by far the strongest employment growth in Australia with an increase in April of 7 500 jobs while, at the same time, it is regretted that nationally employment dropped by 18 500. That sort of pattern has been significant. The strongest employment growth in our economy - that is, areas in which jobs have been created - has

been in the tourism and hospitality and finance sectors and in construction and the retail trades. It is not only in one area that new jobs are being created.

I am pleased that teenage unemployment, while it is very high among that group looking for work and that is the group we are talking about, fell by 200 to 13 200; but in seasonally adjusted terms there is a slight rise. I hope members are aware that some 500 full time places are being advertised for TAFE's midyear intake which will give these young people an opportunity to undertake further training, preparatory to what I believe will be a slow but sustained recovery in the Western Australian economy. Looking at the job growth figures, together with our export performance and the very extensive list of industrial resource development projects, combined with the initiatives detailed in the WA Advantage document, the legislative program and the high priority we are giving to the business sector, I am sure we will begin to see a significant improvement.

**TRANSPORT WORKERS UNION - IPEC TRANSPORT GROUP DISPUTE**  
*Financial Damage to Farmers*

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

- (1) Is the Minister aware that industrial action by the Transport Workers Union against the Ipec Transport Group has resulted in some farmers being unable to get vital spare parts for their tractors and machinery and that this, in turn, has resulted in some of those farmers being unable to take advantage of the recent rain and start sowing their crops?
- (2) Is the Minister also aware that the Industrial Relations Commission has recommended that the transport workers return to work?
- (3) What, if anything, can the Government do to limit the financial damage to farmers from this dispute?

Mrs HENDERSON replied:

(1)-(2)

I am not aware that action has impacted on that company. I am aware that the Transport Workers Union has been involved in a campaign in recent days in relation to an enterprise agreement that has been under negotiation for some time, and that that has reached the final stages of negotiation. I am also aware that some industrial action has been taken which has impacted on some of the air transport services. From the member's comments, it appears that it has also been impacting on other companies.

- (3) It is not the view of the Government that it should become involved in such disputes but it would expect the parties to use the processes available to them through the Industrial Relations Commission to resolve their disputes. The Government does not consider that its role is to interfere in these disputes but rather that it should provide the machinery to enable others to effectively use the processes available to resolve them. I am happy to find out what I can about the action that has impacted on that company, but at the moment I have no additional information.

**SPECIAL PREMIERS' CONFERENCE - NO NEW PROPOSALS**  
*Federal Treasurer's Statement*

143. Mr RIEBELING to the Premier:

Is the Premier aware of a statement made by the Federal Treasurer that the Federal Government has no new proposals to lay on the table at the special Premiers' Conference next Monday?

Dr LAWRENCE replied:

I hope members are aware, and again I have tried to keep them aware, of what is happening in relation to various discussions being held between Federal and State Governments. The Federal Government has told us through the media that it does not propose to deal seriously with the very significant issues that face not only this State but also every other State in the Commonwealth.

Mr MacKinnon: What do you expect?

Dr LAWRENCE: Having looked at the Fightback package endorsed by the Opposition, it seems that Dr Hewson's proposal is even worse because he indicates that a Liberal Government would cut grants to the States by five per cent. We are fighting to not only maintain the status quo for State grants but also to see some growth, following a decade of decline.

Several Opposition members: Under a Labor Government.

Dr LAWRENCE: It goes back 25 years if members opposite want to take it back to the time when the decline first started. I have sought to make it clear that this Government does not regard that as acceptable, but at least over the past few years we have not seen cuts of the magnitude proposed by Dr Hewson. That is slash and burn action. Opposition members should recognise that it is not possible to introduce the payroll tax initiative without that five per cent cut, and in that regard they are hoist with their own petard. The Commonwealth Government is indicating that it is not prepared to seriously examine the States' share of the Australian taxpayers' dollar, and over time we have significantly lost our share of that dollar. This State has experienced a very significant growth in population, as have several other States, but there has been a 19 per cent fall in the revenue to Western Australia on a per capita basis. That is very significant.

Mr Lewis: Under a Labor Government.

Dr LAWRENCE: Although the member for Applecross might want to direct it at this Government, it has occurred in every State in the Commonwealth. I hope members opposite will not take this matter as an opportunity to score political points. I hope that we can achieve a united position on this matter, as the Liberal Premiers in New South Wales and Tasmania are doing. As I said on a radio program this morning, unless we see a significant reduction in the number of tied grants and in the way the Commonwealth comports itself in duplication of services, and unless we see a growth in revenue, we will not need referendums on whether the States should disappear; it will never be put to the people because they will be starved to death by lack of funds.

It is significant that at a time when the Minister for Health is arguing a good strong case on behalf of Western Australia for hospital funding he could tell me yesterday that the Commonwealth Government is proposing to establish a new office for community and health services in Broome with a staff of seven people. That is an extraordinary proposition at a time we are being told by the Commonwealth that it cannot afford to provide aged care beds in the same town. It is interesting that it has been established in Broome. I envisage a steady stream of senior public servants trekking across the country in mid winter to have a holiday in Broome. That is the sort of duplication that all of us should want eliminated. I hope I have the support of members opposite in taking a strong case on behalf of Western Australia to reverse the trend we have seen over the past 25 years in this area.

#### RACING INDUSTRY - FINANCIAL PROBLEMS *Working Party Members - Report and Recommendations*

144. Mr CLARKO to the Minister for Racing and Gaming:

- (1) Who are the members of the panel the Minister appointed recently to look into financial matters related to the racing industry?
- (2) What are their terms of reference?
- (3) When does the Minister expect them to conclude their deliberations and report to her?
- (4) Has she made any commitment to follow the recommendations of the panel?
- (5) What is she doing currently to overcome the financial problems of the racing industry?



Mrs BEGGS replied:

(1)-(5)

This involves a working party not a panel.

Mr CLARKO: The Minister called it a panel initially, I believe.

Mrs BEGGS: This matter involves a working party whose members come from the codes, Treasury and my office. I have instructed the working party to examine the taxing structure and not the financial problems of the industry.

Mr Clarko: They are the same, are they not?

Mrs BEGGS: I do not think they are.

Dr Turnbull: What about the Government's tax?

Mrs BEGGS: The tax structure includes the Government's tax. The working party is meeting on a regular basis. I have not nominated an exact time but have suggested it would be in the working party's best interests to report to me by the end of May. I understand that discussions have been quite fruitful and that the working party has gathered information from all States. I gave some of that information to the House a few weeks ago in response to a question which I think was asked by the member for Avon. I expect that if the working party does not report by the end of May it will do so soon after. I will then examine its recommendations.

Mr Clarko: What is the Minister doing currently to overcome the financial problems of the racing industry?

Mrs BEGGS: The member for Marmion would probably be interested to know that an upturn has occurred in investments on the TAB. I have also succeeded in gaining agreement from Victoria for a combined pool between our States. All the information I have seen and the research I have done indicates that that will have a large impact on turnover at the TAB because of the bigger pools involved. As I said in answer to the question from the member for Avon, one of the things I believe is a deterrent to increased expenditure at the TAB is the fact that our commissions are much higher. I will be introducing legislation into the Parliament next week to allow the commission rate to be changed and to enable that combined pool with Victoria to be put in place. That will enable us to promote things better.

We are currently losing a considerable amount of money to phone betting across the border. From discussions with the Minister for Racing and Gaming in Victoria it appears that it is losing approximately \$100 million a year to New South Wales, which is not interested in joining the combined pool - probably a sensible step for New South Wales but not in the best interests of racing across Australia - because it has a monopoly and a larger population. I can assure the member for Marmion that I am taking an active interest in all that is happening in the racing industry in Western Australia and doing my best to ensure we position the industry to take the greatest opportunity given to it. However, one cannot force people to gamble. I must emphasise that point all the time. We can provide the opportunity to gamble and assist in ensuring that the product is attractive, but I am sure the member for Marmion would agree that it would be inappropriate for the Minister for Racing and Gaming to say that it is a sad thing that people are not gambling. What we should say is that we should not lose gambling dollars to other States and we should ensure that the taxing structure is fair and equitable. I repeat that the TAB in Western Australia returns more to the industry than do the TABs in all other States except Tasmania.

#### RAILWAYS - ELECTRIC RAILCARS

##### *Vibration Problem - Asea Brown Boveri Solution*

145. Mr TROY to the Minister for Transport:

- (1) Has Asea Brown Boveri offered a permanent solution to the vibration problem with the suburban railcars?

- (2) Will this solution apply to the new railcars under order as part of the northern suburbs rail electrification program?

Mrs BEGGS replied:

(1)-(2)

I thank the member for some notice of the question. All the current EMU railcars have been provided with shock absorbers, together with modifications to suspensions. In addition, ABB-Walker is currently modifying the transformer support beams on one railcar to assess whether further improvements may be achieved. These modifications have improved the suspension significantly, and the changes to the transformer support beams may provide a more complete solution that is acceptable for the future; that is yet to be determined. ABB is cooperating constructively with Westrail in these studies.

Mr Lewis: I hope it is. Another 21 cars are on order.

Mrs BEGGS: Of course. I am not excusing ABB, and no-one was more vocal than I was when we had those difficulties with vibration in the EMUs.

Mr Lewis: The cars do not even stop!

Mrs BEGGS: Is it not amazing that when a public transport system has been greeted with such enthusiasm by people all over the metropolitan area, and when its popularity has astounded even us, members opposite -

Mr Lewis: Does it not worry you that the cars cannot stop?

Mrs BEGGS: Problems are experienced with every new transport system, particularly rail. The problems that we have experienced with the introduction of a fully electrified rail system across the metropolitan area are minuscule compared with what happened with the electric rail system that was introduced in Queensland. I give credit for that to the men and women on the urban rail steering committee, because they put this system together and worked hard day and night to ensure that it would come together well; and the public of Western Australia are voting with their feet.

#### AUSTRALIAN BROADCASTING TRIBUNAL - MAUMILL, BOB

##### *Minister's or Staff Member's Approach*

146. Mr KIERATH to the Minister for Racing and Gaming:

(1) Did the Minister, or any member of her staff, make any approaches or representations to the Australian Broadcasting Tribunal in relation to Mr Bob Maumill of Radio Station 6PR?

(2) If so, what were the reasons for that action?

Mrs BEGGS replied:

(1)-(2)

Neither I nor any member of my staff has made any approach to the Australian Broadcasting Tribunal. I understand that the owners of Radio Station 6PR, represented by the TAB's chairman and the general manager, were at a meeting of Totalisator Agency Boards in Sydney some weeks ago and took the opportunity to meet with the ABT. I have asked for a transcript of the minutes of that meeting, and I will be happy to table that when I receive it.

#### HEALTH DEPARTMENT OF WESTERN AUSTRALIA - INEFFICIENT SYSTEM

##### *Federal Minister for Health's Claim*

147. Mr KOBELKE to the Minister for Health:

Is the Minister aware of the claim by the Federal Minister for Health, Housing and Community Services that the Western Australian health system is inefficient?

Mr WILSON replied:

I thank the member for Nollamara for his question and welcome the opportunity to rebut Hon Brian Howe's statement in the Press today, which singled out the Western Australian public hospital system as inefficient and providing too many services. The Commonwealth Minister for Health, Housing and Community Services has again indulged in the use of selective statistics. The figure quoted by Mr Howe of 40 per cent growth in wages and salaries in Western Australian hospitals from 1986 to 1991 is not something unique to Western Australia. We already know that health cost escalation is well ahead of the consumer price index. Figures in the Commonwealth Grants Commission's latest report on general revenue grants relativities for the States show that per capita expenditure growth for general medical services, predominantly public hospital expenditure, for all States in total rose by 37 per cent in the period 1986 to 1991. The rise was exactly the same in Western Australia.

It should be remembered that during the 1980s public hospitals had to absorb very substantial increases in nurse wages and salary rates. Nurse work force wages and salaries are 40 per cent of total public hospital wages and salaries. The irony is that the statistics quoted by the Commonwealth Minister, rather than supporting the Commonwealth's case, underwrite the substance of claims by the States of underfunding by the Commonwealth of public hospital services. Whereas award rates of pay for all occupations in the period 1985 to 1991 increased by 37 per cent, nurse award rates rose by over 50 per cent.

The fact is that the comments by the Commonwealth Minister for Health, Housing and Community Services about the inefficiency of Western Australian public hospitals must, for consistency's sake, apply to the public hospital system throughout Australia, and not only the public hospital system but also the private hospital system. Independent studies of private and public hospital costs have indicated that there is very little difference in cost performance between the two sectors. It seems that by Mr Howe's reasoning everyone is inefficient save, of course, the Commonwealth. I suggest that if Mr Howe wants to look at inefficiency he would do well to look in his own backyard. I draw attention to the fact that the Commonwealth Grants Commission has found that the per capita cost of general medical services, predominantly public hospitals, in the Australian Capital Territory is approximately 20 per cent above the standard. This is a product of past Commonwealth management. I can only pass on my sincere sympathies to the ACT Government as it attempts to redress the problems of this legacy of mismanagement left to it by the Commonwealth Government. Rather than trying to create diversions by blaming the States for the difficulties our public hospitals are experiencing Mr Howe should address the real issue of adequate Commonwealth funding for hospital Medicare.

#### **SUPERANNUATION - GOVERNMENT EMPLOYEES**

##### *Three per cent Contribution*

148. Mr TRENORDEN to the Minister assisting the Treasurer:

- (1) How many Government employees eligible for the three per cent superannuation contribution are actually receiving it?
- (2) Has the Government contacted all new and existing Government employees informing them of their entitlement to the three per cent superannuation benefit?

Dr GALLOP replied:

I thank the member for Avon for some notice of this question, the answer to which is as follows -

- (1) As at the end of March 1992, 87 543.
- (2) As a general policy, the Government requires all public sector

employers to inform their employees of their entitlements to superannuation. To reinforce this requirement, in December the Government Employees Superannuation Board produced a special brochure to further promote membership for the three per cent noncontributory benefit and this was sent to all Government agencies with a request that it be distributed to all eligible nonmember employees. At that time I issued a ministerial memo to agency heads in support of that initiative. Legislation will be coming to this Parliament very soon which will reinforce our commitment to three per cent superannuation for all Government sector employees.

#### INDUSTRIAL RELATIONS ACT - SECTION 66

##### *Trades and Labor Council's Repeal Proposal*

149. Dr ALEXANDER to the Minister for Productivity and Labour Relations:

- (1) What is the Government's attitude to the recent call by the Trades and Labor Council for the repeal of section 66 of the Industrial Relations Act?
- (2) Will the Government introduce or support legislation to this effect?
- (3) If so, what alternative dispute settlement procedures are envisaged?

Mrs HENDERSON replied:

(1)-(3)

Section 66 of the Industrial Relations Act provides an avenue for members of unions who are unhappy with the way in which the union is abiding by or not abiding by the rules of its constitution to take the matter to the Industrial Relations Commission. In my view the community would not accept a proposition, I do not propose a proposition, and the Government would not accept or propose a proposition, to remove that avenue for union members to take to an independent arbitrator a case, claim or grievance that a union was not abiding by the rules of its constitution. I do not accept the proposition by the TLC and I do not intend to move in that direction.

#### KIMBERLEY PIPELINE FEASIBILITY STUDY - CHIEF EXECUTIVE OFFICER

##### APPOINTMENT

##### *Progress*

150. Mrs WATKINS to the Minister for Water Resources:

Has any progress been made with the appointment of a chief executive officer to be attached to the board set up to oversee the Kimberley pipeline feasibility study?

Mr BRIDGE replied:

I thank the member for Warren -

Several members interjected.

Mr BRIDGE: Mr Speaker, I can explain how I made that mistake. As I rose to speak I had "Wanneroo" in mind, but when I looked at the Leader of the Opposition the look he gave me somehow blinkered my thoughts and I said "Warren" instead. It was incredible; it was a momentary blackout!

Several members interjected.

Mr Kierath: Let us hope that the answer has a sounder base than your decision making.

Mr BRIDGE: My decision making has led to this: At 30 April, when applications closed for the position of chief executive officer, 44 applications had been received including four applications from overseas. It is interesting to dwell on that point because the advertising for the position was undertaken nationally, not internationally. However, the advertising was able to attract four overseas applicants who, I understand, are particularly good. The applicants represent a varied field, with disciplines including engineering, finance, geology and administration. Most applicants have an engineering

background and just over 20 per cent of all applicants are from the private sector. That is an indication of the wide ranging interest shown in the project; of course, it is further vindication of the Western Australian community's belief that the project should be pursued vigorously and seriously. This is also a classic example of the way in which professional people involved in the development of such schemes rate the value of the project.

#### MOTOR VEHICLES - REPAIR INDUSTRY

##### *Consumer Affairs Inquiry*

151. Mr BLOFFWITCH to the Minister for Consumer Affairs:

- (1) Is the Minister or her department carrying out an inquiry into the motor repair industry?
- (2) If so, what is the purpose of the inquiry?
- (3) Who requested the inquiry?
- (4) When will the inquiry be completed?

Mrs HENDERSON replied:

(1)-(4)

I have received a number of requests from both consumers and people involved in training people in automotive trades, for an inquiry into the need for some form of standardisation of training and qualifications of people who advertise as repairers of motor vehicles. It has been put to me that the inquiry should extend to the level and range of equipment offered by those people when servicing and repairing motor vehicles. The approach came from people within the industry and from consumers. I have asked Hon Cheryl Davenport, who is a fellow member of Parliament, to look at that issue and to chair a working party to examine our capacity to seek to reduce the number of complaints from people who have their cars repaired or serviced who are unhappy with the job that has been done and who believe they were not aware of the level of competence of the enterprise offering to repair or carry out some function with regard to the motor vehicle. When I was first approached - and the member for Victoria Park will endorse this because he was one of those to approach me - I was reluctant to set up another inquiry. I felt there had been enough of those. However, I received a substantial petition of 2 000 signatures asking me to set up such an inquiry. It was as a result of that that I agreed to set up the inquiry.

---