

# Legislative Council

Tuesday, 19 March 1991

**THE DEPUTY PRESIDENT** (Hon J.M. Brown) took the Chair at 3.30 pm, and read prayers.

## PARLIAMENT - ACTIVITIES ADVICE

### *The West Australian*

**THE DEPUTY PRESIDENT:** Members are advised that notices relating to the activities of Parliament will be listed in *The West Australian* along with Court List and Vice Regal notices. The public will be advised of the daily activities of Parliament, such as sitting days and hours, access to the public galleries of both Houses, parliamentary committee public hearings, tabling of reports relating to parliamentary committees, and tours of Parliament and other educational activities.

## PETITION - DUCK SHOOTING

### *Prohibition Legislation Support*

Hon Fred McKenzie presented a petition bearing the signatures of 1 175 citizens of Western Australia urging Parliament not to declare a duck shooting season for 1991 and to legislate for the prohibition of any future duck shooting in this State.

[See paper No 220.]

## DEPUTY CHAIRMEN OF COMMITTEES

### *Appointment*

On motion by Hon J.M. Berinson (Leader of the House), resolved -

That Hons J.N. Caldwell, Garry Kelly, Muriel Patterson, Doug Wenn and D.J. Wordsworth be appointed Deputy Chairmen of Committees.

## URGENCY MOTION - PASTORAL INDUSTRY PLIGHT

**THE DEPUTY PRESIDENT** (Hon J.M. Brown): I have received the following letter -

Dear Mr Deputy President

I give notice in terms of SO 63 that I intend to move at this day's sitting *That the House, at its rising, adjourn until Sunday April 21 1991 at 11 am* for the purpose of discussing the plight of the pastoral industry and the pastoral sector in this State and, generally, throughout Australia.

Yours sincerely

P H Lockyer MLC

Member for the Mining and Pastoral Region

March 19 1991

The mover of this motion will require the support of four members.

[At least four members rose in their places.]

**HON P.H. LOCKYER** (Mining and Pastoral) [3.52 pm]: I move -

That the House at its rising adjourn until 11.00 am Sunday, 21 April 1991.

I do not intend to ramble all afternoon about the pastoral industry.

Hon T.G. Butler interjected.

**HON P.H. LOCKYER:** Hon Tom Butler has started this session by moaning and groaning. The last time I saw him he was moving for some of his colleagues to be tossed out of the Parliament.

Hon T.G. Butler interjected.

Hon P.H. LOCKYER: I do not want to get involved in that –

Hon Tom Stephens: Do not get like that.

The DEPUTY PRESIDENT: Order! This is not a good way to start the proceedings of our first sitting of Parliament and I do not think it is a good way to start with my ruling from the Chair on such an early occasion. The House has agreed to debate the motion and Hon P.H. Lockyer should resume his debate.

Hon P.H. LOCKYER: This is a serious matter; however I will be happy to engage in debate on the other matters at an appropriate time.

Hon T.G. Butler: That is a worry.

The DEPUTY PRESIDENT: Order!

Hon P.H. LOCKYER: I will ignore those comments even though the member does not have regard for the pastoral industry. Today, a large number of people marched to Parliament House protesting about the lack of attention to the plight of people in the farming industry, particularly wheat producers. I have listened carefully to those complaints for weeks and am sympathetic with the problems confronting the rural industry in Western Australia. The farmers protesting are right; Governments are not confronting the problems of farmers. However, there has been no mention of the problems confronting the pastoral industry.

Is the Government aware of the catastrophic situation facing people who own pastoral leases? Previously, this Government chose not to grant land tenure to pastoralists. The only way pastoralists were able to raise any finance for their properties – because banks would not give bills of sale to pastoralists – was to go to stock firms. In the past the firms from which pastoralists sought funds included Elders Pastoral, Wesfarmers Ltd, Dalgetys Farmers Ltd and Western Livestock. Now, only Elders and Wesfarmers remain. Stock firms would advance pastoralists money on their wool cheques. They would commit money to the pastoralists at a competitive interest rate – around 23 per cent – so pastoralists could run their properties until they sheared their sheep. The stock company would then deduct the money and interest the pastoralist owed from the money he would collect from selling his wool. If any money was left over the stock company would forward it to the pastoralist. That arrangement worked for a number of years.

It is no secret that Elders controls most of the pastoral business in Western Australia; however, over the past couple of weeks it has decided to review its 1991 budget. It is no secret that the incredibly bad things happening in the wool industry – such as the action by the Wool Corporation of Australia, the Australian Wool Board and the Federal Minister dealing with the rural industry, Mr John Kerin, in dropping the floor price of wool – have caused enormous consternation in the industry. I support Mr Kerin's actions, particularly his final decision to drop the floor price of wool. However, I did not support the way in which he carried that out and the actions of the Australian Wool Board in carrying that out. Hugh Beggs and his cohorts ought to be the subject of a Royal Commission. I cannot understand why a corporation would still keep its directors even though they are found to be incompetent and responsible for one of the greatest misdemeanours that has occurred in the history of the wool industry in Australia.

The Australian Wool Board has single-handedly confused its shareholders by its incompetence in marketing wool and by forcing the floor price of wool up to 870¢ per kilogram. It would have been better for the floor price of wool to have had been set at 500¢ per kilogram. By bringing the floor price back to 700¢ the Federal Minister for Primary Industries and Energy is saying that the price is set in concrete. Wool is now floating on the open market; it is costing more to produce than to sell. For the first time since the depression the price of wheat and wool is at rock bottom. That combination is a catastrophe. As a result, Elders sent its senior officers to help pastoralists in the Pilbara and the Gascoyne, who had previously relied on Elders and Wesfarmers to see them through the tough times, review their budgets for 1991. Many of those pastoralists feared the worst. No-one in his wildest dreams could have imagined what was about to happen. The bombshell Elders dropped on those pastoralists was based on a simple rule: If pastoralists cannot clear their hard core debt – say a debt of \$100 000 – Elders will not advance them any money for shearing. If pastoralists can clear that debt Elders will advance pastoralists money only for shearing.

Pastoralists have been told by Elders officials that they cannot receive any money to buy

food; they cannot buy their day to day essentials. Elders have told these pastoralists that they are not to pay their accounts, not even their council rates, with the money that is advanced to them by Elders. Elders has basically said that if pastoralists want money to carry on their day to day lives it will not come from Elders. Pastoralists have been told that if they need money they must go to the Department of Social Security or to the Rural Adjustment and Finance Corporation. Elders, as a stock firm, is no longer willing to support pastoralists. In most instances, this was the first time that pastoralists in this region were given that message.

In one instance a pastoralist operating his business with an Elders' cheque book had it taken from him. I will not do the pastoralist a disservice by mentioning his name in this House, but he has 15 000 sheep on his property and he has been told by Elders that he will be paid enough to shear his sheep, but for the day to day operation of his property he is on his own. I point out to the House the terrible scenario that could occur as a result of Elders' action. Many members in this House would be aware that as summer is drawing to an end it becomes increasingly difficult for a pastoralist to look after the sheep on his property and it becomes a very important day to day operation. The pastoralist must make sure that his sheep have sufficient water and feed. Where will the pastoralist find the money to pay for the fuel to run a motorbike or a motor vehicle to travel around his property to do these very things?

I am not blaming the representatives of Elders. At one stage I worked for the company, but it was a very different company from that which operates today. It has provided a remarkable prop for the pastoral industry for 100 years. The officers from that company are today obeying the instructions of the bankers in their head office in South Australia. I understand the State managers have been instructed to cut back, at any cost, the company's debt by 25 per cent and that includes human cost. The pastoralists are to be told that Elders' money is running out. That company has been involved in some appalling deals in the past and, as a result, the pastoralists will now suffer. The pastoralists must have someone to whom they can turn. Members must bear in mind that when they step out of the Elders' office they are shellshocked because they know they do not have sufficient money to shear their sheep and they have been told that they must make their own arrangements. Once the sheep have been shorn Elders will take their wool in return for the money it is owed, but it will not put good money after bad to shear the sheep.

The pastoralists have no alternative but to go to the Department of Social Security and this is where the run around for them starts. Most of them have never been near an office of this type in their lives because they have been too busy making a dollar for Australia. I remind the House that it is on the sheep's back that most of this country has been built. The pastoralists find they are faced with a bureaucracy of the finest order. After they have been through five or six paper shufflers — people who are less than impressed to see them — they find they do not qualify for assistance because they have a so-called paper asset in the form of property or stock, even though Elders has a lien over that stock and over their wool. The only other avenue of recourse is the Rural Adjustment and Finance Corporation and recently it sent representatives to Carnarvon to meet with the pastoralists. I am not being disrespectful of RAFCOR because it means well, but it is completely toothless. It presented the pastoralists with a sheaf of papers about one inch thick which apply to all types of farming including citrus growing and beekeeping but have nothing whatsoever to do with pastoralists. RAFCOR is understaffed and I understand that it is six or seven months behind in its processing of applications. The pastoralists want instant assistance because they do not have sufficient money to feed their children, and they find that RAFCOR cannot assist them. Their applications become buried in a sea of paper. The only assistance a pastoralist can receive is if he agrees to sell his property, and we must bear in mind that his property is probably worth nothing. All the pastoralist wants is sufficient money to feed his children, staff and sheep, but he is confronted with mountains of paper. The pastoralist cannot be blamed for being disillusioned. All he wants to do is what he does best; that is, look after his property and stock.

I have spent all my life in the north of this State and whenever there is a cyclone Government officials from all departments, including Treasury, take the first available plane to the affected area to help those people. I commend the Government officials for their actions. The crisis confronting the pastoral industry is as great as that of a cyclone. It is an enormous industry and it is under siege. The only assistance I can offer the industry is to draw to the

attention of Parliament the situation confronting the industry, and I know that there is not an easy answer to it. A state of emergency should be declared in the pastoral industry. I cannot speak for the farming community because I do not represent it. The Government should set an example through the Minister for Agriculture, whom I respect. I know he is aware of what is going on and he is also frustrated with the red tape. He should appoint two or three officers to investigate this matter and I suggest that the number of pastoral properties affected would be in the order of 60 or 70. Bearing in mind that Elders has only been to the Pilbara and the Gascoyne I have no doubt that it will go to the Murchison, the goldfields and the north eastern goldfields within the next few weeks and exactly the same thing will happen. Departmental officers should personally visit each property to break down the red tape and arrange for pastoralists to obtain some form of social security. They do not want to receive huge hand-outs; all they want to be able to do is to operate on a day to day basis.

If these people are forced to walk off their properties what will happen to their stock and their properties? Some people say that the Greenies will want to take them over, but I know they will not want a bar of them. The vermin – the kangaroos and the goats – will take them over and then what will happen to the fences and the supply of water? The magnitude of this problem is so great that it is incumbent on the Government to appoint officers to attend to it immediately. There is within the department competent people whom the Minister for Agriculture can appoint tomorrow to attend to this matter. All they require is a four wheel drive vehicle to travel to the bush. The regional manager in Carnarvon, Mr Alan Graham, is an excellent officer and all he requires is a direction to assist the pastoralists. The time-wasting, paper-gathering bureaucratic departments are blinding these people with science.

Hon Fred McKenzie: The reason we have so much red tape is that the Opposition continually asks questions and we have to verify our actions.

Hon P.H. LOCKYER: I have always respected the opinion of Hon Fred McKenzie but this is not a time for politicking or making smart comments. We must assist the pastoralists and I cannot emphasise how tough it is for them. Only last Friday I had in my office a fellow of 45 years of age whom I have known for a long time. He was weeping because he did not know what he would tell his wife and children and he did not know how he would look the guy from Mitre 10 in the eye because he owed him \$200 for some pipe fittings that he purchased from him that morning and he could not pay him. He is an honest person who has always paid his bills. What will happen to the small local authorities like Sandstone, Murchison and Leonora when, all of a sudden, by the instruction of the financiers of Elders, the pastoralists will not pay their rates and taxes? What will happen to the Aboriginal people, many of whom work on stations, when they are told there is no work for them and they must go back to town? What will happen to the grader driver for the Murchison Shire when he is told he has to stop because the shire cannot pay him because the pastoralists cannot pay their rates and taxes? This is catastrophic! Farmers have been killing sheep and dumping them and stopping traffic, which I do not condone because they were breaking the law –

Hon E.J. Charlton: I condone it.

Hon P.H. LOCKYER: Well, I do not, but I can understand it because of the pure frustration they face. These people do not know what to do. They do not know whether others are getting the message. Representatives who were heard on radio this morning said that members of Parliament are not listening to them. I know what they are saying and there is no easy answer to their problem. A farmer has the option of growing different crops, but a pastoralist can grow only sheep and nothing else. He cannot go and find a different lupin or wheat to plant, so he has no choice. Someone told me today that all the bad and inefficient farmers got out of the business in 1987 and 1988 when things were tough. I am not saying that there are some people in the industry who will not survive, but someone needs to tell them, "We cannot help you. Get out of this industry and get into something else." That must be said to them, otherwise they will not survive. Someone must say to them, "You will not survive in this industry." It must be said!

The downstream effect of this in the next six to 12 months will, in my view, ruin many of our towns in the pastoral areas. Towns such as Mt Magnet and Meekatharra rely on the pastoral industry and if people cannot pay their bills there will be no businesses. I do not know what the psychological effect will be on some pastoralists, their wives, children or employees.

Had people talked to me about suicides some months ago I would not have believed them. However, imagine somebody who is a fifth or sixth generation property owner being faced with total ruin who does not want to do anything else. Somebody should start trying to help these people. If Department for Community Services representatives are to help these people they need to look at the industry.

I hope this short, sharp outburst has brought to the attention of members how tough it is in pastoral areas. This afternoon I will seek an appointment with the Minister for Agriculture. I understand that the Premier is going to Carnarvon on Friday. I hope while she is there she takes the opportunity to speak with these people and that some effort is made to do away with red tape so that they can get at least basic help. I cannot impress upon the Parliament enough that these people do not even have the basics.

Hon E.J. Charlton: They should put it in a basket and drive out of town.

Hon P.H. LOCKYER: This involves a massive area and one cannot expect people to travel to Carnarvon to talk to bureaucrats. They need to get on with looking after their sheep in the hope that they can get them shorn and the price of wool will get back to a decent level where they can at least survive. I hope that some form of land tenure is arranged so that these people can, like everybody else, get finance at a reasonable and respectable interest rate and that they do not have to get finance at a 23 per cent interest rate which must be paid monthly, which is added to their account and on which interest is compounded. There is no way in the world that these people can survive under such circumstances. They need, like everybody else, to be able to go to the bank and get a loan at an interest rate of 13 or 14 per cent. However, there is no way in which a bank will lend money to a pastoralist at the moment because they have nothing to offer by way of a business to protect the lender's money. It is as simple as that!

I thank honourable members for listening and hope sincerely that notice is taken of what I have said and action is put in place as a matter of urgency to address this problem.

HON MARK NEVILL (Mining and Pastoral – Parliamentary Secretary) [4.15 pm]: I support the motion and agree with Hon Philip Lockyer that few people really understand the magnitude of the present rural crisis. This is not just another cyclical downturn, but much more than that. This is almost a turning point in history for many people. It is a long time since we have faced the problem of both wheat and wool prices declining rapidly at the same time. This debate has a fairly narrow focus in that it is concentrating on the pastoral industry. It is matters related to wool that are the problems affecting that industry more than those related to wheat, which are affecting many farmers in the south west.

Hon Philip Lockyer raised the problem that the pastoralists in the Gascoyne are having with Elders. This company has gone through much self-inflicted trauma in recent years and has heavy debt levels. It is obvious that Elders cannot carry farmers' debts as it has gone through a considerable rationalisation in the south west of the State. I am not sure of the situation in some of its northern branches. Obviously the company has been poorly managed over recent years and is not in a position to assist those pastoralists who have heavy debts, in some case to Elders itself, by being prepared to provide carry on finance to them. Elders also holds the security in these cases. Therefore the pastoralists cannot get the funds they require for carry on financing from banks. Their only other avenue of support is the Rural Adjustment and Finance Corporation. We have already seen the start of such applications, which involve great wads of paperwork. However, it seems that in Government nowadays unless everything is done in duplicate or triplicate people are criticised for not doing things in great enough depth or of not ensuring that the money involved has been used for the purpose it was granted. We have had numerous inquiries in this House about how money has been dispersed. So now there is a problem with this paperwork, but unfortunately in this world of accountability it must be done. I believe applications from those pastoralists will be flowing through to RAFCOR to be processed shortly.

One area where the Government can help is part A funding, which relates to debt reconstruction. I believe RAFCOR has approximately \$11 million tied up in those trust funds. The guidelines are tight and need to be more flexible so that pastoralists, farmers and small business people can access those funds. The other valid point made by Hon Philip Lockyer related to the processing of applications. I have not heard of delays for the period I think he mentioned of six months. I understood that the delays were about 40 days, but

maybe certain cases take longer. We should be looking at whatever the average number of processing days is.

Hon P.H. Lockyer: RAFCOR is totally understaffed.

Hon MARK NEVILL: I agree with Hon Philip Lockyer. If it is taking 40 days to process applications, then the department should either employ consultants, re-employ some of its retired assessors, or perhaps get people from the Commonwealth Development Bank who have the necessary expertise to speed up those applications.

Hon Philip Lockyer mentioned that many of these people do not have the funds with which to pay for their day to day expenses. It is important that under Part B, the household and income support RAFCOR should be given access to those funds. They are required to put their properties on the market to get those funds. In the present situation that is entirely unrealistic. A couple of years ago the odd farmer went broke for reasons either under his control or outside it, and perhaps in that situation it would be realistic for him to put his property on the market. However, that sort of requirement is inappropriate here and we should be trying to release those funds for household support to help these people who are in a desperate situation. I do not think anyone on this side of the House would argue with that.

The member was very critical of John Kerin, the Federal Minister. I would be very interested to follow up that criticism. The member seemed to agree with most of John Kerin's decisions.

Hon P.H. Lockyer: I was only critical because of his acceptance of the advice from the Australian Wool Corporation. He was forced to make two decisions: Firstly, to bring the floor price back to 700¢ and, secondly, to then dispense with it. That is all I was critical of. I commend him for finally dispensing with it, but he should either have left it at 700¢ or tossed it out in the first place. The fact that he made two decisions put the industry, both growers and buyers, into chaos.

Hon MARK NEVILL: It is easy to say that in retrospect, but when John Kerin reduced the floor price to 700¢ he came under an enormous amount of flak from many people with an interest in the rural sector. I thought it was a very wise decision. He said it was a rock solid price and he would not change it. He had no choice but to say that, even if he intended to review the price in a year's time. By abandoning the floor price scheme altogether he would have suffered the wrath of more people than by merely dropping the floor price to 700¢. There is no doubt that people, both members of Parliament and rural producers, were confused about how to respond to that rapidly changing situation.

The floor price of wheat rose something like 70 per cent over two seasons, and that unfortunately happened at a time when the Federal Minister for Primary Industries and Energy was relinquishing to the producers his control of the minimum floor price. People like Hugh Beggs, who I think the member rightly criticised, got stuck into the Minister about saying that the fixing of the minimum floor price should have been handed over to the producers, and the sooner the better. All the advice at that time from academics and others was that the price of 870¢ was too high. The Minister was very reluctant to step in and take that advice, overruling the Australian Wool Corporation. I have a report here by Alistair Watson.

Hon Murray Montgomery: But you must consider the fact that he was taking advice from an organisation set up by the Department of Primary Industries to give advice.

Hon MARK NEVILL: I understood that he was receiving advice from a number of sources, and that they all said 870¢ was too high but he was reluctant to move in and take that control off the producers. I will read from Mr Watson's report —

Although formally the reserve price was still set by the Minister in 1987, this happened when ministerial responsibility was in the process of being abandoned in favour of producer control, which certainly did not encourage caution. The euphoria and optimism engendered by the boom in 1987 and 1988 has been fully described in a comprehensive account prepared by the consulting firm ACIL (1990). The study convincingly demonstrates how economic judgments took second place to political pressure for higher prices . . .

The article continues, and I commend it to members as an historical account of what has

happened over recent years. It is titled "Unravelling Intervention in the Wool Industry". As with many of these matters, if the Minister had stepped in and said the floor price was not to be 870¢ he would have been crucified publicly by many people. In retrospect we know now that he should have stepped in. We can all be wise after the fact.

Hon Phil Lockyer also said about pastoralists in particular that they had no alternatives. There is no such thing as off-farm income for pastoralists. What does one do when one is out in the middle of nowhere? One cannot get a job at the local mine; one cannot get a job in town; one cannot grow wheat; and there is not much money in goats – they are running around wild up north – and if there were someone would be doing something about it. These pastoralists do not have these alternatives, and that is another reason that their situation is particularly desperate and that we should do as much as we can to help them. They cannot increase their flocks; many of them are running as many sheep as they can. They have taken a great interest in looking after their land through Land Conservation Groups; they cannot expand production or cut costs. They have nowhere to go. I am particularly concerned for some of those pastoralists who, over the last three or four years, when there have been good wool prices, have missed the boat as a result of drought. Many of those people are in the electorate which the honourable member shares with me and three other members of this House. They are the people who missed the high prices and they are in particularly poor shape. What do they have to look forward to but basically low wool prices? Most of these people in the pastoral and farming industries are good producers. Their predicament is no fault of their own; it relates more to the internal management of Elders rather than any business decision of these pastoralists. We need to step into the breach and do whatever we can.

Turning to the wool stockpile, it is essential that the Federal and State Governments get together and find a way to finance that stockpile and manage it so that when it comes onto the market it will not come on in a very disruptive way. It is impossible to ask pastoralists and farmers in the wool industry to pay 25 per cent of their clip to finance the wool stockpile; they cannot do it. Somehow we must isolate that stockpile and get the taxpayer to fund it, however unpalatable that may be. If that is done the levy will drop from 25 per cent to eight per cent, which is the normal level for the wool promotion levy and other levies which producers have to pay.

[Resolved, that the motion be continued.]

As I said in my opening remarks, this motion is rather narrow. It focuses particularly on the pastoral industry, and Hon Phil Lockyer explained his reasons for that; he felt that the focus of the public debate had left the pastoralists out in the cold. I accept that view. However, this House should look at the broader issues of the rural downturn. I intend to move a motion at a later date to extend this debate because the wider issue should be discussed in this place.

I support the motion.

**HON N.F. MOORE** (Mining and Pastoral) [4.23 pm]: I also support the action of Hon Phil Lockyer in drawing to the attention of the House the crisis which faces pastoralists in Western Australia. I congratulate him on his continued and dedicated service to the pastoral industry in raising in this House, and in other places, the problems facing that industry. By its very nature this industry faces many hardships. If members look at a map of Western Australia, they will see that three quarters of this State is covered by pastoral land. These areas are isolated from the populated parts of the State, and, consequently, suffer the problems associated with isolation. Many people in the city have no comprehension of these problems. Many people believe that pastoralists are wealthy landed gentry who are not entitled to any assistance; it is believed that somehow they have a charmed life. That may have been true in days gone by, but today it is a case of surviving droughts and produce price falls.

This industry has been pared down to the bone and, like the wheat farming industry, it is a very efficient producer. However, the problem is that costs keep rising and returns keep reducing. When that happens the two lines on the graph are heading in the wrong direction, and over time people are going broke; this is happening to many producers across Australia. The long term answer is to reduce costs and to increase prices. It is simple. We must look at the costs associated with the pastoral industry to determine what can be done about them. The pastoralist spends his money on freight; fuel; labour, particularly for shearing; parts and

equipment; the education of his children, a factor which many people in the city take for granted; health care; the high cost of food when living a long way from the metropolitan area; and high interest rates. The pastoralist must borrow money in order to run his business, and high interest rates have been a real bane to the existence of his business over the last few years. Also, the pastoralist must pay rates and taxes; he is not paying much income tax at the moment, but he must pay the taxes on his goods and services.

Over the years all of these costs have been increasing very quickly. That has been happening at a time when the pastoralist's income has decreased as a result of a lack of demand for wool. The effect of removing the floor price for wool is enormous because, as Hon Phil Lockyer indicated, the pastoralist is dependent on one product. Some are involved with cattle, but we are referring particularly to the pastoralist involved in growing wool. Therefore, it is not possible for the pastoralist to diversify his activities to take advantage of other product prices.

To try to solve the problems facing this industry we can apply the same arguments which relate to most industries in Australia; that is, we need to look at short and long term answers. I do not know what we can do in the short term apart from providing welfare assistance to help the pastoralists overcome immediate problems. In the same way that wheat growers should be encouraged to grow a crop this year, some assistance should be provided to the pastoralist to enable him to shear his sheep. This may be throwing good money after bad, but we must take some risks if we believe that we have an industry which is worth saving. As Hon Mark Nevill rightly pointed out, we have reached a watershed and we must decide whether these industries should remain. This country cannot afford not to save its primary industries as the primary and mining industries provide nearly all of our export income; without them our economy would be in worse shape than it already is. We must do something as a community to ensure that we are competitive on the world market. We must save these industries; if we do not we must find something to replace them. However, if anybody can suggest an industry which will be equally productive, and which will populate the vast inland areas of Western Australia, I would be pleased to hear about it.

In the short term we must make access to social security available to farmers and pastoralists in order to provide their basic needs. As Hon Phil Lockyer graphically indicated, it is a basic requirement to abolish the assets test on a short term basis. It is no good having assets when one has no income; when an asset is producing no income it is like having no asset at all. It is important to provide short term solutions to help people who are presently borrowing money to pay for their petrol. We must act as a community and we must decide whether to save these industries and whether to produce the long term reforms that our primary industries so desperately need.

The bottom line is that we must reduce costs, and the only way in which that can be done across Australia is by getting stuck into the microeconomic reforms that we have heard so much about. This will reduce the cost of doing things in Australia. We must do something about our transport system; we must get stuck into the labour market and do something about our industrial relations system, which is framed to ensure that we are not competitive; we must do something about our waterfront so that we do not have the situation in which the Port of Melbourne is only 20 per cent as efficient as the Port of Singapore. That is a particularly important point as the waterfront is where our goods enter the marketplace. When our goods cannot leave the country at a proper price, we will always be behind the eight ball. We must cut red tape and bureaucracies; we must get rid of Government waste and prevent money being spent on vast projects which fail, such as the one which will go before the Royal Commission. We must abolish Government departments such as the Federal Department of Aboriginal Affairs, which, as I have argued for years, is a huge waste of money. We must look at the privatisation of Government enterprises.

Those measures are part of the microeconomic reform package which Dr Hewson promotes as an alternative for the Australian economy. The reforms have to be undertaken to reduce costs for all of our producers. If that is not done we will continue down our present path. We must also do something about receiving a decent return for our produce. We have suffered from interference in the marketplace for many years in having a floor price for wool. It is inevitable that if one continues to prop up a price on a permanent basis, the marketplace will cause that to collapse, and that is what happened to the wool industry. The price of a product cannot be sustained whilst we continue to produce an unlimited quantity. That is



against the law of the marketplace and it is the fundamental problem with which we are faced. I am also concerned over the apparent lack of effort by the Australian Wool Corporation to market its product. Nowhere in the world do we find attempts being made to sell Australian wool. In many parts of the world where it is freezing cold wool is a very good product to be wearing. Occasionally, we see attempts being made to market pure new wool, but never Australian wool. Most of the wool sold on the world markets is probably Australian, but not much effort is being made to promote it as a valuable and worthwhile product. We desperately need to have some innovative thinking and to break down that bureaucratic structure called the Australian Wool Commission.

Hon Graham Edwards: We agree entirely.

Hon N.F. MOORE: Good. I hope the Minister will use his good offices to persuade the Commonwealth Government that these reforms are necessary immediately, not last week when they could have been introduced; they were needed months and months ago. I hope the Premier will tell the Prime Minister that his industry statement was an opportunity forgone. Some tinkering was done to the tariff system, which I support; however, it did not deal anywhere near enough with the microeconomic reform I have discussed. Those issues must be dealt with. If the Prime Minister, as the captive of the union movement, is unable to take action, it is time to change the Government. The quicker something is done about the situation, the better. We have reached desperate straits in Western Australia as members know and some hard decisions must be made, one of which is to improve the marketing of our products because a massive effort is required to promote wool overseas. As Hon Phil Lockyer mentioned, the State Government could also provide tenure to pastoralists to provide a long term advantage. It will not solve the problem of what pastoralists will eat tomorrow, but at least it will do something for their capacity to borrow money and have a decent relationship with their bank in the years ahead.

The bottom line is that we must do something in this country to reduce our costs. We must also go hell for leather to increase the price of the product we are selling. Those recommendations are long term, but we must start implementing them now. I hope the Hawke Government is aware of the shortcomings of its industry statement and is working flat out on some other microeconomic reforms. In the meantime, we must try immediately to help pastoralists by ensuring social security assistance is made available to them until some attempts are made to address the longer term issues. The fundamental question is: Do we want these industries to survive? I believe we have no alternative.

I congratulate Hon Phil Lockyer for bringing this motion to the House today. I also congratulate Hon Mark Nevill for his continued good sense in supporting the proposition. I hope both sides of the House will take a sensible attitude towards the problem and see if combined action cannot be taken to alleviate a severe problem affecting many people in our community.

**HON TOM STEPHENS** (Mining and Pastoral – Parliamentary Secretary) [4.47 pm]: Over the years I have been here, I have noticed, I guess because of its intrinsic nature, a sort of perversity in the way the media reports Parliament. If I were to cross the Chamber and punch Hon Phil Lockyer in the mouth we would be headlines in tomorrow's Press.

Hon P.H. Lockyer: And you would be dead.

Hon P.G. Pandal: Why don't you test your theory?

Hon TOM STEPHENS: As unfortunate as they are, those incidents receive full coverage, but, more unfortunately, the media will have difficulty presenting to the community that in the State Parliament an urgency motion moved by Hon Phil Lockyer had the support, not only of his colleagues on his side of the House, but also on the Government side of the House because we welcomed the opportunity to discuss the rural downturn. That discussion has not been as dramatic as the farmers' blockade on the roads of Perth. Nor has it involved dropping dead sheep in each other's backyard. Nonetheless, in the same way as those representatives of the rural community were aware of the issues, Hon Phil Lockyer has taken the opportunity, with the Government's support, of raising the issue at this appropriate time. I am pleased to hear that my colleague, Hon Mark Nevill, has expressed a desire to ensure that the wider issues of the rural downturn are debated at an early time in this place. I encourage my colleague to see whether he can bring that discussion forward for tomorrow's

session. As I told Hon Phil Lockyer, had it been necessary I would have seconded the motion, but the procedure of the House did not require that. Members are well aware of the tour of the wheatbelt by members of Parliament led by Hon Eric Charlton. I am pleased that I participated in that tour because it highlighted one of the contrasts of those rural areas compared with my electorate – the Mining and Pastoral Region – where to some extent the pastoral industry's fortunes are not as visible as those in the wheatbelt region.

The entire Gascoyne area alone does not suffer dramatically from a downturn in the pastoral sector, nor only the Kimberley and the Pilbara regions; the entire wheatbelt region suffers from a downturn in the rural community. Fortunately the region I represent has other industries to sustain it during a downturn in the pastoral industry. For instance, the solid foundation of the Kimberley is due not only to the pastoral industry, which has been its backbone for many years, but also to the tourist industry, which has expanded in spite of the problems with which it has been faced. Those industries provide opportunities for the growth and development of the area. In the Kimberley and Pilbara regions the mining sector provides an economic stability which has not been shattered by the rural downturn or the problems facing the pastoral industry. Nonetheless, those problems are very real and inevitably they have some effect on the regions and, collectively, have an impact on the entire State.

I hark back to the trip led by Hon Eric Charlton into the wheatbelt area and refer to a town named Beacon which I confess I had not heard of before I visited it. However, I discovered that it is 80 kilometres south of Paynes Find, which is in my region. While at Beacon we had the opportunity to hear from the pastoralist from Maroobra Station, and Hon George Cash will recall the pastoralist to whom I am referring. For the information of members his property is situated north of Beacon, in the Merredin electorate and not in the Mining and Pastoral Region, although I suspect it is only a couple of kilometres from that region's boundary with the Agricultural Region. At the public forum the farmer described his family's plight because of the loss of income they were experiencing. It has led to a situation where his son is seeking contract shearing in the area, which is difficult because many of the families are undertaking their own shearing to save costs. He described in a vivid way the agony his family is experiencing as they face the current downturn. It is a relevant point to this motion because it relates also to the pastoral industry.

Mr Deputy President (Hon J.M. Brown), I understand you know the gentleman to whom I am referring – Mr Courtney Junk – and I was billeted with him and his family. His family showed me how the downturn in the rural economy can lead to creative responses. I will take this opportunity to refer to this subject, which contains lessons for me and, I hope, other members. Mrs Junk was keen to ensure that the family's income was supplemented and she looked at a variety of ways in which to do that. Living on a wheat and sheep property she was very interested in wool and looking around her property she found that it had a number of eucalypt trees. As a result her family is now involved in harvesting the gum leaves and processing them to produce dyes in a beautiful range of colours. In a very splendid way she has spun the dyed wool into yarn for knitted garments. She has made short and long sleeve jumpers and other items by using the magnificent dyes produced from the gum leaves on her property. It is an extraordinarily creative response arising out of hardship. The ingenuity of people from the rural community in responding to crises with which they are faced never ceases to amaze me.

That leads me to the issue of social security and income maintenance. The social security system in Australia is basically aimed at trying to provide income maintenance for families and individuals in crisis. Quite clearly, the farming and pastoral sectors are in crisis and without adequate levels of income going into those households they will not survive. The very nature of the pastoral community raises the question of assets. The grey areas associated with applications from the pastoral and farming communities for social security assistance must be clarified quickly. The community, for its part, needs to overcome some of the sense of stigma attached to using the social security system. We, as members of Parliament, and the wider community should be saying to the rural sector that it is our view that in the context where there is no longer an income available to farmers and pastoralists from their properties they should be encouraged to make use of the social security system and, where possible, to fill out the forms for assistance. Problems associated with the assets test apply not only to farmers, but also to their wives who are entitled to apply for unemployment benefits.

Hon P.H. Lockyer: I understand that they have to live in the town.

Hon TOM STEPHENS: If that is the case, it should no longer be the case. I can appreciate an officer from the Department of Social Security saying to a farmer's wife that she must be available for work. However, she should be available for work in the area where she lives with her family. In my view, the view of this House and, I suggest, in the view of the Federal Government, the Act is in place to alleviate hardship where it exists. Unnecessary hurdles should not be put in the way of people with absolute bona fides going to the Department of Social Security to find ways of rescuing themselves and their families from the situation with which they are faced.

The situation of the farmer's wife is different from that of the grazier's wife. By and large the farmer's wife lives fairly close to the town. These people have a strong sense of isolation – it was a source of amusement to me to hear the word "isolation" used in a town like Beacon. I know they have a genuine sense of isolation, but compared with the communities I represent the farms in that area are a stone's throw from the town.

[Questions without notice taken.]

Hon TOM STEPHENS: Members of Parliament and the wider community must ensure that the farming community and pastoralists and graziers who have need of social security assistance do not feel any stigma associated with receiving this assistance. That assistance will well serve not only the interests of the individuals involved, but also their local communities by ensuring at least some level of income is provided to the small communities. The benefits will accrue to the regions by allowing people to survive the downturn and be well placed at the other side of it to once again be the backbone of Western Australia's economic activity which it has been for so long.

This morning, after I had made some of those points to Sarah Knight on ABC country radio, I received a spate of telephone calls from various people in the pastoral community trying to impress on me how serious their positions were. A grazier's wife from north of Kalgoorlie commented about the enormous difficulties faced by graziers in trying to send their children to school in the metropolitan area. She made it clear that costs to provide educational opportunities for members of her family were in the order of \$800 a week. Not many choices about education are available to families like that which live on a relatively remote station. The parents have a young adult at university and some children at boarding school, all of which involves a great deal of expense. The owners of such properties have suffered a 50 per cent drop in income and it is not difficult to imagine the enormous problems they face as they try to meet the expenses associated with educating their children. Would the return on a bale of wool be \$500?

Hon P.H. Lockyer: Farmers net \$250 a bale. They make less than it costs them to produce it. Every year they clock up a loss.

Hon TOM STEPHENS: It used to be \$500.

The DEPUTY PRESIDENT (Hon J.M. Brown): Order! It is difficult for the Hansard reporter to record members' comments when they ask questions that way. When members interject or seek information they should speak up and to the Chair.

Hon TOM STEPHENS: I suppose I should have asked you, Mr Deputy President; no doubt you could have given me the information. I apologise for the difficulties caused to the reporter.

I suppose this drop in revenue for the pastoral community, particularly the wool producers, is a result of the dramatic drop in the international market. It is worrying to realise that China is experiencing considerable internal difficulty and some countries have indicated that their internal problems are not over yet. Recently members of the Government had the opportunity to hear from a colleague who was familiar with the situation in the Soviet Union. He expressed alarm at the unlikely prospect of stability for that nation and the real fear that its internal difficulties would disrupt the nation and so affect our markets there. Certainly in the short term, and possibly even in the medium term, no dramatic improvement will occur.

One of the tragedies about this is that primary industries, both mining and pastoral, have been the most efficient productive industries in Australia in recent times and we need to see those industries survive. The resources for families in the pastoral communities are human

resources which the State and the nation cannot afford to see dislodged. I say that in the hope that in the near future an upturn in the markets will occur which will once again benefit those producers. Government members must address the current situation faced by those producers. Hon Phil Lockyer mentioned that social security was only an interim measure. We must make sure that the grey areas associated with assets issues are resolved; that, where possible, we encourage wives and children to make use of the social security system. That system is one of the great achievements of the current Federal Labor Government because it provides a standard of income maintenance which was not previously provided in the history of our nation. I pay tribute to the previous responsible Minister, Brian Howe, who ensured that within that system the opportunity exists for families to survive in economic downturns.

Hon D.J. Wordsworth: Will we have enough money to fund it?

Hon TOM STEPHENS: Mr Wordsworth's constituents will benefit from taking advantage of this system. It is a big and expensive system. He would have experienced many people in his electorate suffering from the absence of an income.

Hon D.J. Wordsworth: I do not disagree with that. I am asking you whether we will have enough money to fund it?

Hon TOM STEPHENS: The challenge is to make sure we do. We cannot afford to let people go to the wall. If it requires the rest of the community to tighten its belt to ensure the survival of those who have lost incomes, whether it be pastoralists, graziers or any other section of the community, so be it. We have an obligation to ensure that the family unit survives. The alternative is abhorrent.

Hon D.J. Wordsworth: Fewer and fewer taxpayers.

Hon TOM STEPHENS: That opens up the issue of microeconomic reform. Part of the strategy is to ensure that economic recovery means that everyone who wants to work can work and that there is, as Hon Norman Moore said, form on the waterfront which would reduce the costs associated with the ports. It also includes restructuring the public sector so that it becomes more efficient and streamlined. To do that we have to get all of the economic settings right so that once again we will have economic growth which will lead to full employment in this country.

Hon Phil Lockyer referred to the Rural Adjustment and Finance Corporation. That issue was raised with those of us who travelled recently to the wheatbelt. A demand made loud and clear to the group was that that agency be moved from the Treasury portfolio to the Agriculture portfolio. The group that went to the wheatbelt will be discussing that matter a little later. It was clear that primary industries want RAFCOR placed under the control of the Minister for Agriculture. Ernie Bridge, my friend and colleague, is held in very high regard by the people involved in primary industry in this State. That message was repeated very loudly throughout the visit. I hope that the Treasurer will look favourably upon that suggestion. In fact, it is one of the recommendations of the special Rural Task Force report.

My friend and colleague, the member for Northern Rivers, issued a Press release yesterday dealing with the plight of many pastoralists. He referred to Elders' internal problems.

Hon D.J. Wordsworth: The member for Ashburton or the member for Northern Rivers?

Hon TOM STEPHENS: The member for Northern Rivers.

Hon D.J. Wordsworth: What about the member for Ashburton?

Hon TOM STEPHENS: She is my friend and colleague also, but I do not know what she said on this issue.

Hon E.J. Charlton: Members should know by now that Hon Tom Stephens is everybody's friend.

Hon TOM STEPHENS: I even include Hon Eric Charlton as my friend. The member for Northern Rivers' Press release said -

... despite the immediate problems of the wool industry, the long term future was good and responsible banks and stock companies should take a longer term view. Unfortunately, Elders are denying any carry-on finance to properties and since it holds all the security it is not possible for the pastoralists to approach the banks.

"The situation is very grim", Mr Leahy said, "and urgent assistance is needed now. RAFCOR simply must speed assistance under Part A. It is a matter of great concern that RAFCOR has over \$10 million in trust when the money is desperately needed.

That is news to me.

Hon W.N. Stretch: Have you read part A?

Hon TOM STEPHENS: I am quoting from a Press release in which Mr Leahy has drawn attention to things that are news to me. The Press release continues –

Mr Leahy said it was important that family support money be paid immediately while Part A applications were being assessed. "The money," he continued, "can be recouped if applications for finance are successful. It should not be a requirement that people in that situation should have to put their properties up for sale".

These comments echo some of the sentiments expressed by my colleague, Hon Mark Nevill. The Press release continues –

He also warned of the wool tax. "Growers are simply not in a position to pay for the accumulated debts of the Wool Commission and any attempt to try and make them do so by putting a high tax on sales would be self defeating and compound the already dangerous situation where many perfectly sound businesses were facing ruin.

Mr Leahy praised the work of Lyn Johnston and the Wool Market Reform Group. He said they had a much clearer idea of the future of wool than the AWC –

Hon E.J. Charlton: I would not quote that; I would bury it.

Hon TOM STEPHENS: That is Hon Eric Charlton's view.

Hon E.J. Charlton: A few cases will come back to haunt her for her activities.

Hon TOM STEPHENS: Hon Eric Charlton is expressing his views. The Press release continued –

He said they had a much clearer idea of the future of wool than the AWC and the other experts and John Kerin would be very wise to give them a place on the Wool Advisory Group he is setting up.

Hon Murray Montgomery: Who is the author of that?

Hon TOM STEPHENS: I have answered that question twice. The Press release continues –

He added that his friend and colleague, Graeme Campbell was currently circulating a petition calling for the ban on the export of all Marino genetic material. Rams will be very cheap this year, according to Mr Leahy, and it will be very demoralising for Australians if foreigners are seen to be buying up our heritage at give away prices.

Petitions are available from his office and urged everyone to sign them as the future of the wool industry was important to the whole country.

A little while ago, Mr Kevin Leahy made some additional points to me and suggested that I put on record the fact that he is as conscious as anyone of the difficulties being faced by pastoralists in the Gascoyne and Murchison areas. He expressed a confident view about their prospects, particularly in the context that increasing numbers of people from southern agricultural communities have been entering into the wool market in recent years, and they are people who, in the normal course of events, have other alternatives that the pastoral community does not have. He expressed the view that he anticipated there will be some reduction in production associated with the agriculture belt if those farmers move to producing crops that –

Hon J.N. Caldwell: There would be little reduction.

Hon TOM STEPHENS: That is right. However, in the end it will benefit pastoralists in our electorates. The member for Northern Rivers made the point that the pastoral community does not have the opportunity to diversify; it is locked into wool production. Certainly, it cannot move into planting crops. People in the pastoral community will have to hang in there until mechanisms of change are put in place. In the Murchison and the Gascoyne areas the position has been compounded by the problems associated with drought. There is in place a strategy to bring drought relief to those two regions which will be of considerable

assistance to pastoralists. The Kimberley region experienced a drought towards the end of last year and \$200 000 was available to assist pastoralists whose properties had been drought affected. Of course, soon after Christmas the wet set in in the Kimberley region and there was almost a prospect of a rush of applications for flood relief. However, the region has experienced good seasons recently and hopefully it will not be faced with the problem of drought for a couple of years.

As a student I had the opportunity of working with John Kerin in the Federal Parliament in 1974-75. John Kerin is a family friend. He was our local member of Parliament when I was a lad and I worked with him as a research officer in the Federal Parliament during his first term in office. I know him well and as a result hold him in high regard. I know that regard, while shared by some, is not shared by all. I speak in his defence. I know that he has enormous sympathy for the rural sector. He has a farming background, even though it is in a different area from the area about which we are talking.

Hon Derrick Tomlinson: Which area are you talking about?

Hon TOM STEPHENS: He was involved specifically in the poultry and dairy industries in his old electorate of Macarthur. The cheese making industry was important in his electorate. John Kerin will try to ensure that the rural community can, as quickly as is humanly possible, find a way of returning to prosperity. He believes in what the rural sector can do when the economic settings are right. His vision for its future is one which deserves respect and it is not right for him to be portrayed as putting the rural sector through unnecessary hardship. I was a graduate of an agriculture college in John Kerin's old electorate of Macarthur. Although it is not an area in which I profess to have any great expertise, from my own experience of people associated with the farming community it is one that I am interested in; and I know that rural people in his electorate hold John Kerin in high regard.

I welcome the opportunity that Hon Phil Lockyer has presented to discuss these issues in an urgency motion. There is a need for action. Some of the strategies to help those people affected by the problems in the rural sector will be discussed further with the Hon Eric Charlton. Hon Phil Lockyer has flagged some of those issues and the Minister for Agriculture has been flagging them for some time. I am confident that action will be taken by both the State and Federal Governments in this area.

HON BARRY HOUSE (South West) [5.56 pm]: I support the motion. One piece of evidence which exemplifies the tough economic times facing pastoralists occurred last Saturday when I attended the pastoral section of the Western Australian Farmers Federation conference. Only eight or 10 pastoralists attended and the reason given for the lack of attendance was that pastoralists could not afford to attend. That is an adequate illustration of the tough economic times they are facing. An area in which this Parliament can be effective in addressing some of the problems facing pastoralists deals with the issue of security of land tenure for pastoral leases. The State Government can take the opportunity – and it has been a little tardy in this regard – to provide for the pastoral industry. Since 1983 the Government has made commitments in this matter. Legislation has been introduced twice into the Parliament, first in 1987 by the then Minister for Lands, Mr Wilson, and in 1988 by the then Minister for Lands, Mrs Henderson. We then experienced a frustrating delay when Hon Kay Hallahan was the Minister in charge of the portfolio of Lands. There was a lack of action and this frustrated all of those involved in the pastoral industry. It got to the point that something had to be done and we effectively took over the agenda and took up the running on that matter.

Hon Kay Hallahan: Took over! What sort of meeting did you conduct?

Hon P.H. Lockyer: There was a great sigh of relief when you were taken away from the Lands portfolio.

The DEPUTY PRESIDENT (Hon J.M. Brown): Order! I will ask members to allow the member who is on his feet to speak without interruption.

Hon BARRY HOUSE: Last year, due to the frustrating delay and inaction by the Government, I introduced a Bill into Parliament to clear up this issue.

Hon Kay Hallahan interjected.

Hon P.H. Lockyer interjected.

The DEPUTY PRESIDENT: Order! The cross chatting while the member is on his feet is highly discourteous. It is not fair to the Chamber, to the Hansard reporter or to me.

Hon BARRY HOUSE: The purpose of that legislation which was acceptable to the pastoral industry was to get the Government off its tail and clear up the issue. The Bill was debated and was passed in this Chamber. However, it proceeded up a blind alley from there and went nowhere. It did provoke some action from the Government and that action came to the pastoral industry in the form of a letter which contained a series of proposals from the Government for pastoral land tenure.

Hon Kay Hallahan: From the Government.

Hon BARRY HOUSE: The pastoralists realised that the Government had retreated significantly from its previous commitments. The problems still need to be resolved. The proposals are only in letter form and we have not yet seen draft legislation. This is despite promises made by the Government to do otherwise. Also, this is despite promises made by the former Minister for Lands that the rural organisations, the Western Australian Farmers Federation and the Pastoralists and Graziers Association, would see that in legislation form in February. That has not occurred as yet.

*Sitting suspended from 6.00 to 7.30 pm*

Hon BARRY HOUSE: The industry has concerns about those proposals, particularly those relating to the 50 year rolling term and, more importantly, to the 15 year review term. I am a little confused, as are many pastoralists, as to what that 15 year review means. It may mean a rangeland review without impacting on the title. If that is the case, it may be satisfactory to some sections of the pastoral industry. However, much doubt is still held about that and we are all waiting to see the legislation so that the matter is made clear to everybody. Other doubts surround excisions for Aboriginal and conservation purposes. These are many and in some cases will affect the viability of pastoral stations. As we have heard previously, pastoralists are facing tough economic times. One way in which we can assist them is to clear up this matter of security of tenure during this time of rural crisis, particularly for wool growers. I am sure that pastoralists do not want this security of tenure because they wish to borrow more money and get in greater debt but rather because they need collateral to borrow against during the hard times which many of them now face. This is a long term measure.

Another fear held by pastoralists which was brought to my attention during the past few weeks is that of encroaching claims on pastoral lands for World Heritage listing. An example of this is Shark Bay. The areas now earmarked for World Heritage listing by the people chasing these things include the Nullarbor Plain and the Kimberley region. A real fear is held by pastoralists that I think is well founded; that is, that without any security over their titles they are at the mercy of people who promote World Heritage listing as the best thing since sliced bread.

I was alarmed the other day to see how well advanced are plans for World Heritage listing of huge tracts of the Nullarbor Plain. These are not just areas we would all agree are valuable for conservation purposes but a thousand square miles or more of land. I am talking about huge areas of pastoral land where the pastoralists who are using that land have not been consulted by the Government or the people promoting the World Heritage listing of that land. The first they learnt of the matter was when a series of maps appeared. Those maps are detailed, so someone has what they want clearly in mind. That is a real threat to the pastoral industry and something this Parliament can help to alleviate by granting pastoralists secure title over their land. It is important that we as legislators do something constructive to enable pastoralists to stay on the land. As mentioned previously, if pastoralists are forced off the land it will not then become a pristine environment for everyone to enjoy but will be overrun by feral goats and kangaroos. That is the fact of the matter. It also does not take security matters into account. The vast remote northern areas are populated only by pastoralists, in some cases, and Aboriginal people. If they are removed from that land, who will protect those areas?

Members on this side of the House have indicated clearly their commitment to pastoralists and secure title for their leases. During the past couple of years the Government has procrastinated and retreated from its original commitment in relation to this matter. We now see, during this emergency situation, an urgency that did not exist previously. I hope the

Government addresses that urgent situation and looks closely at its legislation in relation to these matters. I hope it realises the urgency of the situation and reverts to its original position in relation to the legislation. Failing that, I would like to see the new Minister for Lands honour the Government's commitments by introducing legislation into this House as soon as possible for our consideration. The Government's commitment to having draft legislation ready and in the hands of rural organisations such as the Western Australian Farmers Federation and the Pastoralists and Graziers Association by February has already been broken. I hope we will see the draft legislation soon so that it may be considered. The Opposition is prepared to wait a short time for the Government to honour its commitment in relation to this matter. However, I stress once again that this is an emergency situation and the pastoral industry deserves our attention. This is one way in which we can show our support for that industry by providing some assistance from this Parliament.

**HON TOM HELM** (Mining and Pastoral) [7.39 pm]: I thank Hon Philip Lockyer for providing an opportunity to debate this matter as he has held genuine concerns for a long time. The contribution he made to this debate is both relevant and important, and this House should take his remarks into consideration. I got to my feet not only because I live and work in the Pilbara but because I am aware of the problems facing those in the Pilbara, and not only the pastoral and rural crisis. This crisis has been aggravated by the drought and the resulting cry for help for those in the Pilbara who have been affected. I recognise the crisis affecting those people because I spent 14 months on the dole. I was unemployed for 14 months, and I was faced with losing my home and not being able to take care of my family in the way to which I had become accustomed.

At the age of 16 I decided to join the merchant navy and I became an able seaman. At 26 years of age I left the merchant navy and came ashore. I took the only job I knew, as a rigger, and I made a good living ashore for 10 years. Then technology came along, there was a downturn in the building industry, and I was out of a job. I understand the problems faced by these people from a personal point of view. No-one has broken down and cried in my office, but on many occasions I have broken down and cried as a result of the despair that I have felt at not being able to fulfil my obligation as part of the work force and the independence that that produced. I do not say that I know exactly what is going on in the rural industry. I do not suppose I know as much as many of those members who have spoken already, but I do understand the despair felt by these people. I understand what it is like when the future holds no hope. I understand the feeling of independence as a result of being part of the work force. When that is taken away there is an inability to honour one's obligations. I can relate very much to those who said in the recent past – one does not hear much of it these days – that people in receipt of social security and pension payments are dole bludgers. These people could not know how that comment hurts. They could not know what it means until they have experienced it themselves. My sympathy goes out to these people.

I direct my remarks tonight to what I believe is the long term cause of this problem and draw attention, apart from the rural crisis, to the recommendations of the Rural Task Force which this Government has taken on board. I do not want to sheet home the blame in any special sense for what is going on in Australia. I want to sheet home the blame in very clear terms as to the reason we are facing this crisis. It is nothing to do with mother nature, or drought as such, because these things are cyclical. Industry has had to cope with these things and it can cope with them very well. The reason we are in this situation is quite clearly the result of the breakdown of the general agreement on tariffs and trade talks in Uruguay. We keep being told that we are supposed to have a level playing field, but our rural industry is not given the opportunity to compete in a free and fair market, openly and across the board. We are also told that our market has been reduced by the Americans and their export enhancement program, and the Europeans who have subsidised the inefficient farmers who make up the European Economic Community. We are told by Dr Blewett, the Minister, that he was informed by the Minister in charge of the American rural industry that the rural enhancement program in America is doing no good to Australia, although we were an ally in the Gulf war. He said the export enhancement program would continue, and that is one reason why the GATT talks broke down. The Americans wanted to ensure that the export enhancement program would not affect our exports in Australia. How can America ensure that? American goods go onto the open market at a vastly reduced price compared to ours. How can we compete for the markets we had, let alone new markets? I can demonstrate to this House some of the markets we could take advantage of but for the actions of the United States.



That is only the American side of the equation. What about the EEC? It has been demonstrated to us that that inefficient farming industry is being subsidised out of sight. Subsidies are given, and no opportunity is given to our industry. Our wool and pastoral industries have been proved the most efficient and effective in the world, but we are not allowed to compete on the world markets because of the subsidies which those nations provide. It seems to me that we can talk about restructuring the labour force. I am not aware of any complaints from the demonstration this afternoon, or any comments from the Western Australian Farmers Federation or the National Farmers Federation of any union problems on the farms. They see a need for our exports to be a lot cheaper than they are, but I do not believe that those farmers and pastoralists who are feeling the rural crisis are saying that their industry should be enhanced by people being put out of work on the waterfront or wages and living conditions being reduced on the waterfront or anywhere else. Basically, if we do not maintain our home market, we will have to rely on the export market, which in turn relies on decisions made in countries other than our own, and that is even more precarious. The result is that we will be left in a very unpleasant situation.

My only criticism of the speakers tonight concerns Hon Norman Moore's comments about deregulation. He said that the answer to the rural crisis is to deregulate; to reduce funds in the area of Aboriginal affairs; and to consider restructuring. Surely that is not what it is about. That is being addressed at the moment. We can address it in two ways – by negotiation and discussion, or by imposition. I do not believe that the rural industry wants something imposed upon people which will cause as much distress as the pastoralists and rural industry feels now. They do not believe that is the way to go. People have different opinions of the blockade on Friday. Hon Eric Charlton, by way of interjection, said that he supported those people who blockaded the highways and caused disruption. I support those people taking those actions because I believe in direct action also. We should have some input of a socialist nature in what we do. People are entitled to put picket lines around work sites to demonstrate how they feel about a particular working environment. That is exactly what those farmers did.

However, Hon Eric Charlton of the National Party and members of the Liberal Party who are supposed to represent the pastoralists, although I think their representation has been slowed down a little of late, supported section 54B of the Police Act. In this afternoon's demonstration the roadways and so on were blockaded.

Hon Murray Montgomery: That is wrong.

Hon TOM HELM: Section 54B of the Police Act was introduced by a conservative Government.

Hon Murray Montgomery: It did not prevent the march.

Hon TOM HELM: Why were those people arrested?

Several members interjected.

Hon TOM HELM: I am saying that industrial problems being felt by the rural industry and feelings of despair and frustration as a result of not getting the message across were demonstrated by the blockade on the freeways around Perth. Living in the Pilbara, it did not affect me very much. Through a concerted effort – if the problems in the rural industry are to be demonstrated in this way – it would be better if that sector became closer to the trade union movement, which, over the last five to seven years, has taken a 13 per cent reduction in its living standards. The union movement is equally affected by redundancies. If those two sections of the community were to get together, they would form a powerful force indeed. In that case perhaps it would not be necessary for the farmers to make their point in the way they did last Friday, and it would not be necessary to take direct action to make people listen. As speakers on both sides of the House have demonstrated tonight, we are listening to these problems. Basically, we understand what the problems are.

I am sure that we can reduce costs on the farm. That is done in the European Economic Community and America. However, the Federal Government spent months negotiating at the general agreement on tariffs and trade meeting arguing that a fair and equal market place is the western way of doing things. It was argued that we should not be subsidising inefficient industries. I was in the United Kingdom when the Conservative Party went to the barricades about not supporting lame duck industries; that is, industries that could not quite

make it in the prevailing circumstances. However, we are now saying that that philosophy is not the one to follow. Surely we should argue on the international scene that a level playing field will give everybody an opportunity to put his goods into the marketplace at a fair price.

I heard on television tonight a statement about a reduction in the taxes and charges which everyone has to pay – always a very popular statement. However, in the long run if we reduce costs on the farm by whatever means possible – there is little we can do apart from following the recommendations of the Rural Task Force – it can be guaranteed that America and the EEC will reduce their costs even more. The intention is to shut out of the international market Australian wheat and wool, and all rural produce.

It has been suggested that our State Government is supporting a floor price for wheat. I am a little confused by that – Hon Phil Lockyer has explained that a floor price did not work for wool. However, the floor price was messed around with and that did not help the situation; it was suggested that it was a hindrance rather than a help. Therefore, I do not know why we should follow that line with wheat because that could be dangerous. Energy should be expended in trying to convince our so-called friends and allies not to determine what markets we enter and what the price levels will be.

I see that Hon Eric Charlton has returned to the Chamber. He spoke about support of the direct action which took place last Friday. I know that the National Party, as with all conservative parties, is quick to condemn people who take direct action when they consider that their wages or job conditions are in jeopardy; that attitude has been demonstrated in the past. However, this creates a conflict in that if the member supports the line taken by the farmers he supports direct action. I support direct action. I have been involved in situations in which the only answer was action which caused somebody to be inconvenienced. I am aware that people on the conservative side of politics say that trade unions do not have the right to demonstrate their feelings to their employers. They say that there should be an ability to negotiate and that other actions are entered into too easily. Therefore, I hope that lessons are learnt by this action by the farmers. If it is all right for some people to take direct action, it must be all right for all to do so. We should be working towards a situation in which the need for direct action does not exist. We should not follow the line argued by Hon Norman Moore that we should restructure and deregulate whether people want it or not. We must discuss the issues and find a way around the problems. It must be admitted that over the last couple of years the union movement has demonstrated its understanding of the Australian economy.

Hon E.J. Charlton: With due respect, you are not talking about apples and apples. The two examples are miles apart.

Hon TOM HELM: The member could be right. If somebody is facing the loss of his home and his ability to take care of his family, either through a reduction in commodity prices or through looming redundancies, the plight is the same. Talking about apples and apples, I will refer to the Robe River situation. Recently a lady who was employed as a payroll clerk was expected to work as a dump truck driver. Where was the negotiation?

Hon E.J. Charlton: That happened because the workers abused the system. Robe River took action because the workers wanted to take five minutes off work to cross the road. And a bloke who owned his own plumbing business was not allowed to carry his own ladder!

Hon TOM HELM: I do not know whether people at Robe River still carry the ladder, but I do know that the pay clerk is driving a truck.

Hon Max Evans: She will be paid a lot more money to drive a truck.

Hon TOM HELM: She could have volunteered to do so. We are talking about apples and apples when referring to money.

Hon Murray Montgomery: Do you not believe in multiskilling?

Hon TOM HELM: Who said that I did not? Does the member know what multiskilling means?

Hon D.J. Wordsworth: What about the pastoralists?

Hon TOM HELM: The member is right. The pastoralists have a fair complaint in that they are hurting badly because of their inability to maintain their standard of living. Their homes,

livelihoods and whole futures are in jeopardy. That is exactly the same as somebody who is facing redundancy. That is exactly the same as what occurred at Robe River when people did not receive the accord provision of the three per cent benefit with the superannuation scheme. If we are talking about apples and apples, that is a clear example. Basically, not every farmer will lose his farm. I was at Yalgoo the other day and I saw that a problem exists. The temporary shire clerk explained that the rates return was reducing because people were unable to pay their rates, and this affected the whole community. That is the situation with which we are faced.

There is no doubt when we compare apples with apples that the situation is the same whether a person owns a house in suburban Perth or suburban Hedland or a house in the bush called a station; it is still his house. He has responsibility for his family and is in the same boat as anyone else. I agree with Hon Eric Charlton that person still has the right to remind society of the position in which he finds himself. However, we should be working closer together to bring that issue home to people. People should be careful about what they mean by land tenure. It is a very important issue, particularly in relation to the 50 year rollover and the 15 year review which have not yet been determined. The Government could be accused of not addressing the issue, but that is because it is fraught with danger. I believe that in 1985 Brian Burke said that the land rights question was not a matter for further debate. We are talking about a basic land rights issue to which graziers and pastoralists are entitled in order to provide them with an asset. However, when talking about Aboriginal land rights – about people who have been on the land for many thousands of years and who have distinct methods of dealing with the land – the issue is seen as different and is tackled somewhat hypocritically.

Hon N.F. Moore: Do you want to put it back on the agenda?

Hon TOM HELM: I did not take it off the agenda. Not all Labor Party members are clones. This is an opportune moment to refer to question on notice 31 in which Hon Eric Charlton asks whether the Minister is aware that office holders within the Labor Party have attempted to intimidate a member of this House, Hon Tom Helm, to resign from the Legislative Council against his wishes? I know, and Hon Eric Charlton should know, that that intimidation is against the law.

Hon E.J. Charlton: That is not the only illegal thing that has happened in your organisation lately.

Hon TOM HELM: That kind of statement – an unfeeling, unthinking response – comes from a member of the National Party. The conservative members of politics know not what they say. No intimidation has occurred. I have not been intimidated since I was about 12 years old.

The DEPUTY PRESIDENT (Hon J.M. Brown): Order! I suggest the honourable member speak to the motion.

Hon Graham Edwards: If that is not intimidation, I don't know what is.

Hon TOM HELM: It seems to me the conservatives will never understand the Labor Party. The Premier and various other people can make decisions but members do not necessarily have to abide by them to the letter. If the issue of land rights is off the agenda as far as Brian Burke is concerned, I am still allowed to pursue the matter, and no-one within the party will intimidate me not to pursue it.

Hon D.J. Wordsworth: What about the pastoralists' issue?

Hon TOM HELM: If the member does not pay attention, he will lose the thread. I agree with Hon Barry House that the pastoralists should own their property to enable them to borrow money. The same thing applies to Aboriginal communities and pastoral leases, particularly in the desert. That premise applies in order to provide people with a future.

I have pointed out to the House the problems with the general agreement on tariffs and trade, the United States' export enhancement program, the European Economic Community's approach to the world market and a level playing field. While we were in Vietnam, it was brought to our attention that the Vietnamese have an order book for woollen goods – you will understand this, Mr Deputy President (Hon J.M. Brown) – to Eastern Europe which it cannot fill because it cannot buy our wool on the open market and we cannot sell it. The

international community, particularly the Vietnamese community, has agreed with the Americans' decision that Vietnam cannot avail itself of the offices of the World Bank, the International Monetary Fund or the Asian Industry Development Bank. Therefore, there is no way that our industry can take advantage of an open market in Vietnam. The country does not intend to export to Australia. It wants our wool to make garments and carpets to sell to Eastern Europe and the European markets and we are unable to sell it to them. The Americans also put an embargo on the Vietnamese using the world banks, which it is hoped will change shortly because the Americans are looking like a laughing stock in the international community.

Also, to the north of Vietnam are three Chinese provinces with a population of 60 million people who love Vietnamese noodles, the best of which are made with Australian wheat. They purchase the Australian wheat from Singapore because no transactions can occur between the two countries since the Americans have decided, for lots of reasons including the fact that they were beaten in the war by the Vietnamese, that the Vietnamese cannot approach the IMF, the World Bank or the Asian Industries Development Bank to secure loans. People want to lend money to them.

Hon D.J. Wordsworth: Did you visit both North and South Vietnam?

Hon TOM HELM: We visited both ends of the country, travelling from Hanoi to Ho Chi Minh City and to a place 40 kilometres south of the Chinese border.

Hon Tom Stephens: Did you get a part in a film?

Hon TOM HELM: Only the good looking people got a part.

The DEPUTY PRESIDENT: Order!

Hon TOM HELM: Australians have a traditional way of selling products, with the exception of iron ore to Japan –

Hon Graham Edwards: He is saying, Mr Wordsworth, that excellent quality carpets are made in north Vietnam. Do you have a problem with that?

Hon D.J. Wordsworth: No.

Hon TOM HELM: The Vietnamese tailors have been trained in Paris and their training has been handed down through the generations. Their suits and clothing are of excellent quality. Someone from the Australian Wool Corporation was looking at that market but no-one had been from the Wheat Marketing Board.

The points I have made about Vietnam highlight our marketing problems in that area. The Americans and the Europeans are giving Australians a hard time because of those countries' political and economic difficulties. Also, we insist on thinking that our most lucrative markets are in the northern hemisphere. We look to those places for markets because we feel more comfortable with the people who have cultural ties with this country. Vietnam is only one example I am aware of where potential markets are so apparent because it is the only country I have visited recently. I am encouraged by the possibility that the Australian marketers will change their tactics. Despite our surpluses and despite a market at our doorstep we are still reluctant to go to the places on which it is harder for the Americans and the Europeans to encroach. The Middle East is a little closer for the Americans to be able to influence; they also have Eastern Europe and north and south America for the American export enhancement program.

Some short term solutions are in sight. The State Government, by pulling together all the constituents from the rural industry and by its establishing the special Rural Task Force and implementing its recommendations, will provide some relief. I am led to believe that some of the counsellors in the industry have been useful not only in counselling pastoralists on how best to use their limited funds, but also in addressing the issues confronting them in both the long and short term. In addition the counsellors have helped the pastoralists to address some of the social issues. It is distressing to hear about the incidence of drunkenness and of people committing suicide. It is very hard to try to get into the mind of a person who has been a battler all his life, who has never had to seek help and has been able to do any job on the farm. It is difficult to understand how he feels, especially as he earns his livelihood from his produce. When he can no longer continue because of the downturn in the industry he blames himself. It applies not only to the farmer, but also to his family because they are involved in what the farm or the station produces.

We have not been talking about disasters resulting from droughts or floods – we have enough of them in the Kimberley – we are talking about something which is man made and which is beyond the control of the pastoralists, and it is no wonder they blame the politicians. I know that the politicians in this House are not to blame for what has happened, but it does not mean to say that politics is not to blame for what will happen to the rural industries in the long term. The solutions which the Government or politicians come up with are very limited and have short term gains only. Pastoralists are frustrated and confused and are despairing because of the actions of politicians in other countries to which Australia has been strongly aligned for 200 years, and members on both sides of this House must highlight their predicament to the best of their ability. We must bring home to the Americans and the Europeans that what they are doing may be of gain to their countries in the short term, but it is affecting this nation in the long term.

As Hon Barry House said, people will be forced to walk off their properties and the ability of other people to take over those properties will be limited. Multinationals may walk on to them, which should be avoided at all costs; but that has occurred throughout history. The absentee owners of stations and farms may not have done the best for the land or the economy of the country, but their profits are directed to overseas and their practices are directed from overseas.

I thank Hon Phil Lockyer for moving this motion. His sincerity and the sincerity of other speakers is undoubted, although Hon Norman Moore was off track. He usually talks about opposing deregulation and imposing what has gone before. I advise him that that will bring difficulties to other sections of society. A solution to this problem is not coming fast enough, but to put any speed on it will have long term effects and all decisions must be by negotiation only. We cannot say that if we have land rights for pastoralists the same land rights should not be given to the Aboriginal community, which has an affinity with the land. I support the motion.

**HON D.J. WORDSWORTH (Agricultural)** [8.15 pm]: I congratulate Hon Phil Lockyer on his presentation of the case on behalf of the pastoralists and for outlining the financial difficulties with which they are confronted in both the long and short term. He aptly described the situation in which they find themselves and I am sure everyone is sympathetic towards them. All Australians respect those people who are willing to go into the pastoral areas whether to earn a living as pastoralists or to undertake other activities. Generally speaking, Australians are city bound, but regardless of whether it was Banjo Patterson or anyone else they have a great respect for the people in the outback, particularly in the pastoral area. I have been in a state of shock since Hon Phil Lockyer described what is happening in the pastoral community – a certain amount of it may be fear as I have all my life savings invested in the beef industry. While that industry has not been affected to the same extent as the wheat and wool industries, when one witnesses the collapse of agriculture generally one cannot help but be fearful that one may be affected also.

If members of political parties had to declare their interests I would have to admit I have a six figure debt with the company to which Hon Phil Lockyer referred and it makes a person realise he has strong obligations when he takes on a debt load of that magnitude, especially when he is aware that what is happening to the pastoralists could happen to him. I admit that I am not sure whether the withdrawal of funds by Elders is entirely because the industry has become uneconomic. It could well be that Elders has mortgages which it would like to quit and it is perhaps carrying out that desire which has been forced on it instead of quitting unprofitable industries. The pastoral industry has always been a partnership between pastoralists and the pastoral house. The pastoralists would not have survived in the early days, with poor communications, without the pastoral house. Throughout history there has been a great relationship between the customer and the firm. I recall talking to a senior person in a stock firm and he told me that one of his first jobs was to buy a brassiere for the daughter of a pastoralist because she had developed at a faster rate than had been expected since the family's annual visit to town. He had to post to the family a few items of underwear. It illustrates the close relationship between the pastoralists and the pastoral houses; it did not matter whether it involved the purchase of theatre tickets or whatever, the representatives from the pastoral houses were willing to carry out the pastoralists' requests. However, that relationship has changed. I am in a situation where, from being completely reliant upon a stock firm to only using one when they are competitive with discount houses

such as STSS. I previously did all my work through a stock firm, but now I look for discounts on products used on the farm and on loans, and I do not automatically rely on a stock firm. Elders had to change its old established business, which handled everything from banking to food and clothing. It needed to completely support people in the outback but it had to change and become more competitive in a changing world.

Unfortunately, stock firms such as Dalgety and others have slowly disappeared from the pastoral areas and yet no-one criticised the companies that faded away and left those areas. Elders remained and it must now reduce the value of the mortgages it holds. I wonder whether a viable industry can be maintained in pastoral areas. I and others believe that wool can be produced economically. The Government must look very carefully at what has happened. It is not just a group of woolgrowers going broke; these pastoralists occupy three quarters of this State and do a great job. They are trying to earn a living and, equally importantly, they are populating the area. The Government must carefully consider the impact on this State were the pastoral industry to collapse. At present the resources of three-quarters of this State are being utilised, and if the pastoral industry should collapse, those areas would not be rebuilt. It would not be possible to attract the same investment of people, buildings, fences and livestock. The industry represents millions of dollars of investment, and it will be nothing short of a calamity if it collapses.

Much of the problem may be that one firm was able to collect all the business. I do not blame that company for collecting the business; it was probably a good thing that it did and it would certainly be a calamity if it ceased to operate. We must find a way to overcome this problem. Firstly, the Government should look at Elders' portfolio of mortgages, including the long term debts and the normal short term debts. Undoubtedly, with the downturn in the wool industry some write-offs will be necessary in the pastoral industry, but that does not necessarily signify a total collapse. Elders is obviously determined to quit its portfolio of mortgages in the pastoral industry and the Government should examine that portfolio with a view to assisting the farmers. With the agreement of Elders it may be necessary to write off the long term debts, and the Government may be able to finance the short term debts which are the normal year to year debts of producers to cover the cost of living, shearing and other expenses.

I hope the Government will not sit back and allow RAFCOR to handle this situation. It has many problems and Hon Phil Lockyer is correct in saying that this is an emergency and should be handled in that way. It should be treated in the same way as a cyclone situation. People should be sent to the area who understand the problems and who can talk to pastoralists face to face. The Government should be fully informed on Elders' portfolio so that people going into the pastoral areas are aware of what can be done to assist pastoralists. It is necessary to meet the pastoralists on their own ground. The supply of money cannot be turned off as one would turn off a tap, which appears to be happening at present. The pastoralists must continue to care for their stock. It is quite ridiculous for this action to be taken. If nothing else, it is no way to treat the livestock on the property. If it is demonstrated that certain pastoral stations are not economically viable, the Government as the owner of the land has an obligation to close down those stations in a humane way. I am thinking not only of the pastoralists; the stock must be collected. Most of the stock has no value and it cannot be sold, but people cannot be forced off their properties leaving the sheep there. The reputation of Australia would suffer enormously. It has a bad enough reputation as a result of shooting its sheep, and certainly the Government should not allow sheep to be left on stations which the pastoralists have left. If there is to be a withdrawal from the pastoral area it must be an orderly one.

Hon Tom Stephens: Does any other country shoot its sheep?

Hon D.J. WORDSWORTH: New Zealand farmers have done so at various times. In fact, they have driven sheep off cliffs into the sea. I have a print on my wall depicting a scene of sheep and cattle being boiled down for their fat under similar circumstances in the 1890s when the stock had no value. Fortunately for the industry at that stage there was a market for tallow, but nowadays soap is made with synthetics rather than tallow and there is no longer a market for this fat.

This Government, through the Department of Land Administration, has an obligation to the pastoral area. It has allowed land to be leased for pastoral pursuits and if a retreat is to take

place it must be an orderly one. Although not every pastoralist may be in a sound financial position, the industry is very well supported. A few pastoralists would remain dotted around the countryside. Some pastoralists may be able to expand and look after two or three stations, particularly if they have the necessary finance. However, laws exist which prevent some owners from managing additional properties.

This situation must be treated as an emergency and handled in a certain way. Western Australia does not want three quarters of the State vacated. It is vital to keep people in these areas. It would certainly be ridiculous for these people to come to the city to live in State Housing Commission units while sending other people out to caretake the areas as national parks. We must ensure that the industry survives in some form. Some pastoralists are able to carry on. A company that holds a large portfolio of mortgages should not be able to withdraw its funds. This is the tip of the iceberg and I am not sure whether my shock begins with fear. It probably does. This could also happen in the wheatbelt. The sooner the Government faces the situation and recognises this as a crisis, the better. I support the motion moved by Hon Phil Lockyer.

**HON W.N. STRETCH** (South West) [8.30 pm]: It gives me great pleasure to support the urgency motion moved by Hon Phil Lockyer, but it similarly gives me great pain that it is necessary to bring forward such a motion. The debate has moved a long way tonight from where it started out. We have been to Vietnam and all around Robin Hood's barn.

Hon Graham Edwards: Quite pertinent stuff!

Hon W.N. STRETCH: Reasonably pertinent but the debate has gone a long way from the words of the motion, which are to discuss the plight of the pastoral industry.

Hon Tom Stephens: Markets have a lot to do with it. I hope you will not take some sort of partisan approach to this.

Hon W.N. STRETCH: I have always found that the best way to judge strong and good leadership is to look at its ability to accept blame when it is sheeted home. I am rather sad that the responsibility for this debacle rests fairly and squarely on the shoulders of the Labor Governments from 1983 onwards. Members opposite should not be surprised, because they know it is true, and it happens very clearly when a Government tries to promise all things to all people. In the early 1980s the pastoralists were saying that if they did not get tenure the pastoral industry would be doomed by the turn of the century. Two words which members opposite do not understand are the words equity and collateral.

Hon Graham Edwards: You don't mind dooming Aborigines. What is the difference?

Hon W.N. STRETCH: The Minister is talking nonsense. It is all right for him to talk nonsense when he is in charge of the debate, but he is not in charge now. He is out of order and he ought to listen.

Hon Graham Edwards: You ought to know that this is a party political speech. Get back to the issue.

Hon W.N. STRETCH: The issue is tenure in the pastoral industry. The problem is that pastoralists have no tenure, therefore they have no collateral, and that is why it is difficult for them to raise carry-on finance. Members opposite can squirm as much as they like but in 1983 their then leader, Brian Burke, promised the pastoralists land tenure.

Hon Mark Nevill: It is a red herring.

Hon W.N. STRETCH: It is not a red herring. It is right on the button. I do not want to be political, because I want to get to the point of this debate: How can we give pastoralists some money to carry on with? We heard Hon Phil Lockyer say they have no money to shear their sheep or to feed their families. Government members are proud of themselves, great, but they have had the reins of this outfit for eight years and it is no good for them to sit here now and blame other people, such as the Americans. The point is that pastoralists have no collateral to offer to their financial institutions, which is why they are in this position.

Hon Graham Edwards: You purport to represent rural interests yet you say it has nothing to do with markets.

Hon W.N. STRETCH: We all know that the financing of industries such as the pastoral industry requires a great deal of capital input. One can only get capital input from one's

endeavours and from the resources that one can build up, and when one has a bad year one has to rely on financial institutions. In 1983 the pastoral industry saw exactly where it was heading. It knew that without security of tenure, without something to promise its financial institutions, it would be in trouble when bad times came in raising carry-on finance. These are more than bad times. These are disastrous times for the pastoral industry, and we all know it. It is no good trying to draw red herrings across the problem now, and I condemn members opposite at this stage because they had the goods but they would not deliver.

Hon Tom Stephens: We had the Bill ready.

Hon W.N. STRETCH: Members opposite promised security of tenure to pastoralists, and land rights to Aboriginal people in 1983. They were both cruel hoaxes, and members opposite knew that.

The DEPUTY PRESIDENT (Hon Muriel Patterson): Order! We have come here to debate an urgency motion which is of great interest to us all. I ask that Hon Bill Stretch be given the opportunity to have his say. Members have all had an opportunity to have their say.

Hon W.N. STRETCH: I am trying to underline the importance of tenure to these people. Members opposite have had the ball in their court since the Burke Government promised it in 1983 but found a million reasons for putting it off. The reasons were all political and we will not go into them because we have gone down that path plenty of times in this House. I implore members opposite now to explain to Cabinet the urgency of this matter, because unless pastoralists are given something in the way of collateral on which the banks can lend they will still only have their livestock as collateral. That involves a bill of sale, and that is only taken by a livestock firm. Livestock firms borrow from banks and have the same cash flow rotation which every other business has. They have cyclical moves of capital and need capital now, and are calling upon pastoralists for capital, but the pastoralists are not in a position to deliver. Until pastoralists have security of tenure this will be a recurring problem.

I have referred only to the historical side of this problem, not the political side, in order to point out the damage which has been done. We cannot say that the problem crept up on us. We knew it was coming. We were told for the last 10 or 11 years that it was coming, but to the shame of members opposite they did nothing.

Hon Tom Stephens: That is not true. We had the legislation ready but you would not support it.

Hon W.N. STRETCH: Members opposite had legislation of some sort. The pastoralists, in their desperation, were prepared to take some legislation but members opposite kept putting in bits that were not acceptable to the pastoral industry because one way would have hanged them and the other way would have shot them. It did not make sense to them, and they rightly rejected it. The positive moves have been put forward from this side of the House. We have spent long hours battling it out with the pastoralists. We have not always agreed with all their points of view. However, we have come to a consensus with the pastoralists and have produced a Bill that will address the issue of the survival of this industry. Members opposite have rejected it, to their shame. The previous Minister in charge of this legislation, now the Minister for Education, sat on the Bill. She would not move her Bill and she would not accept ours. Members opposite have set up this crisis and it is now incumbent upon their Cabinet to move quickly. It is important that out of this debate comes a positive approach to helping these people.

The first thing we can do is clear up a few misunderstandings about the Rural Adjustment and Finance Corporation. RAFCOR is greatly understaffed. I spent an hour or two with the people at RAFCOR a few months ago to find out from them how they were coping with the crisis in the south west and in the wheatbelt. At that stage we did not get on to the pastoral industry, but the debate tonight has touched on the rural reconstruction scheme. I think Hon Mark Nevill said that RAFCOR could help out pastoralists with part A applications. Hon Tom Stephens quoted the member for Northern Rivers' reference to part A. I interjected to ask had he read part A.

Hon Mark Nevill: I have had a lot of dealings with RAFCOR.

Hon W.N. STRETCH: Has the member read part A and can he relate that to helping the pastoral industry? I suggest he obviously has not.



Hon Tom Stephens: I have read it but I cannot remember it.

Hon W.N. STRETCH: The member is miles out of touch with the needs of his electorate. I suggest that he get a copy of the RAFCOR submission forms, and he will find that part A requires collateral on land. The pastoralists therefore need the title to their land. They will want to know what can be offered as security to the bank or to RAFCOR, which is another form of bank.

Hon Mark Nevill: It needs to be more flexible. There is \$11 million in the trust fund. We need to get access to that for pastoralists.

Hon W.N. STRETCH: The trust fund is only Commonwealth moneys forwarded to RAFCOR. If RAFCOR handles its debt restructuring and its interest rate subsidies, it can finance at least another \$120 million, so do not talk about what is in the trust fund. It is chicken feed compared with what these people need now. Part A applications will give pastoralists refinancing of their debts if they have security of tenure. If people can offer security of tenure, if they can indicate they own a station which represents collateral of \$2 million, they can receive \$200 000 or \$300 000 to enable them to carry on. If they have no security of tenure they cannot receive that assistance, and the Government has not delivered such security of tenure. People could also buy an adjoining property.

Hon Tom Stephens: You knocked that back.

Hon W.N. STRETCH: The member should not talk rubbish. Many matters with which we have had problems have been knocked back. That was one of them. The rural adjustment scheme can offer household support but only when a person puts his station or farm on the market and states that it is his intention to move out within three years. That is great for a long term export producing industry!

Hon Tom Stephens: Are you calling for a change?

Hon W.N. STRETCH: That will not occur under the RAFCOR scheme without legislation, but that is a different matter. People can also receive a re-establishment fee of \$28 000 to allow them to re-establish off the station and do something else. Perhaps they could start up a small business – God knows what. What is the good of that sort of assistance when people are trying to maintain an industry with a solid history of performance? It is no good offering them a grant for household support if the condition is that they must leave the property. If people are easy to get on with and walk off within three years they do not need to pay back that grant. However, if an upturn in the market occurs and the situation improves a person might think that he can hang on – and if he does so, he may have to pay back that money. I agree that RAFCOR must be restructured, but that requires an Act of Parliament. In that case, probably nothing can be done this side of Christmas. By then, half the pastoralists will have gone out of business.

Hon P.H. Lockyer: The horse will have bolted.

Hon W.N. STRETCH: Yes, well and truly. It is a case of too little too late. That applies to all the assistance offered in my sector of the industry. Too little too late has been the catch cry of this Government, and that applies to education as well. The sad and plaintive call is that had help been offered earlier we would have survived. The warning bells were rung 10 years ago but nothing was done. We are now reaping the whirlwind. However, the Government has the opportunity to do something to remedy the situation. If the Minister for Agriculture, with his intimate knowledge of the industry, can mobilise officers of his department and set up an emergency task force with the assistance of the Treasurer, together with the RAFCOR administration, we should be able to pass the relevant legislation through Parliament very quickly. In that way we could make available household support without the need to stipulate that the property be vacated. That would be a very sensible and humanitarian move. It would also be a thoroughly good investment in the future of the pastoral industry and that is the action the Government could and should take immediately.

The RAFCOR personnel sent to these areas should be attuned to the needs of the industry and what the industry can do for itself. It is farcical to send RAFCOR officers to areas just to offer household support and relocation money. That is all they are empowered to deliver, and it is a cruel hoax. People in the industry see these officers drive up and their hopes are raised. This only underlines their cynicism about the process of export industry restructuring. It is a cruel hoax and it is time it came to an end. The same comments apply

to social workers in the field. I understand that the success rate of Government social workers is in the vicinity of three per cent in rural areas and that the success rate of voluntary people in the field is around 70 to 80 per cent.

Hon Mark Nevill: How do you measure the success rate?

Hon W.N. STRETCH: I measure it by the number of people receiving assistance, their reactions, and the follow up assistance. That figure is frightening.

Hon Tom Stephens: It is also an arbitrary one.

Hon W.N. STRETCH: It may be. I was given it on good authority. I do not have the statistical evidence but I have been told that is so. My experience is that before giving advice to people in that sort of plight the adviser should have a feeling of the lifestyle. I call on the Government to upgrade the performance and the selection of its advisory personnel. It is also important that Government members of Parliament be informed, because they are not aware of what RAFCOR can do. The pastoral industry has been let down badly by the Government. I cannot emphasise too strongly the importance of sorting out the land tenure issue. It is absolutely vital to the survival of the industry that it be put on a long term, sound financial basis. Members may have philosophical difficulties with the issue but they cannot argue with the fact that this country needs its export producers more than ever before. There will be no social security led recovery of the economy. That is nonsense and the Government is aware of that. The recovery will be export and production led and the sooner that occurs the better for all of us.

Hon Tom Stephens: No-one has suggested anything to the contrary.

Hon W.N. STRETCH: That may not have been suggested but people in the bush are not judging the Government by its suggestions but by its actions. Since 1983 the Government has neglected the real needs of the pastoral industry. The Government stands condemned for that. I strongly support the motion and urge Government members to take to Cabinet the recommendations for immediate action to relieve this desperate situation.

HON P.H. LOCKYER (Mining and Pastoral) [8.47 pm]: I did not expect debate to last so long this afternoon and evening. I thank all members for their contributions. By and large those contributions have been sincere, and I hope that they have been heard by the Government. While I have been happy to hear those contributions, this new found love of pastoralists has not always been apparent in this House. I hope that this sincerity continues. If members think that times are tough at the moment, they should also understand that it is but the tip of the iceberg. While some pastoralists are in trouble at the moment, many others are successful and are not in such dire straits. If the situation does not change, in 12 months there will be no pastoralist in Western Australia who can survive. If the price of wool does not increase, in the end we will all go down the gurgler. That will be a disaster for Australia and we will witness a complete change in the lifestyle of many people. Some members stated that the motion referred only to the pastoral industry and that that restricted debate somewhat. I deliberately framed the motion in that way because in due course we will more than likely debate the rural crisis many times. My concern today was that the pastoralists' point of view should be heard. That has happened and we are wiser for it.

One member asked what is received for a bale of wool. Presently, Elders is asking station owners to budget on \$260 a bale. I understand that a bale cannot be produced for less than \$350. That is how the figures are used to arrange a budget. During the dinner suspension I received a telephone call from Dudley Maslen, the former member for Gascoyne, who today had to put off some staff – one of which was a lady who carried out cooking duties on the station. She was distraught because she had travelled all the way from Pinjarra to Carnarvon to take up employment. She said that she had nowhere to go. He told her that if she wanted to stay she should apply for social security assistance. She went to the Commonwealth Employment Service office in Carnarvon and was told she would not receive the dole unless she stayed in Carnarvon, where she had nowhere to live, or returned to Pinjarra. That situation should be changed. The same example could be used with pastoralists' wives who go out and get jobs. It is very difficult for people on a station 300 kilometres from Carnarvon. These families may have two or three children, and it is difficult for the wife to live in Carnarvon and attempt to get a job. It is socially unacceptable. We must find a better way.

The suggestion made by Hon D.J. Wordsworth warrants serious consideration. Hon Joe Berinson, as Leader of the House, should ask the Minister for Agriculture to call urgently on the management of Elders with a view to having it examine the situation. The Government should be informed. I am surprised that Elders Pastoral did not inform the Minister for Agriculture or the Government how serious the situation was prior to its happening. Because of the urgency of this matter Elders should meet with the Government to explain the severity of the crisis and its view on what steps should be taken.

Hon Fred McKenzie: Are there any other livestock firms?

Hon P.H. LOCKYER: There were four, but these days 90 per cent of business is conducted through Elders and the rest with Wesfarmers Ltd. The Department of Agriculture has some very good men such as John James who is situated in Karratha who could get the message to the Government. The Government must be better informed. There is no easy answer and I did not say there was when I brought the matter to this place.

I thank members for their courtesy in listening and I seek leave of the House for my motion to be withdrawn.

Motion, by leave, withdrawn.

## **BILLS – RESUMPTION OF CONSIDERATION**

### *Assembly's Message*

Message from the Assembly received and read requesting that consideration of the following Bills be resumed –

1. Retail Trading Hours Amendment Bill
2. Agricultural Products Amendment Bill
3. Education Service Providers (Full Fee Overseas Students) Registration Bill.

## **COMMITTEES FOR THE SESSION**

### *Personnel Appointment*

Message from the Assembly received and read notifying the personnel of sessional committees appointed by that House.

## **JOINT SELECT COMMITTEE ON THE CONSTITUTION**

### *Assembly's Message*

Message from the Assembly received and read requesting concurrence in the following resolution –

- (1) That the Joint Select Committee of the Legislative Assembly and Legislative Council on the Constitution originally appointed during the second session of the Thirty-third Parliament be reappointed.
- (2) That the committee report by 13 June 1991 and otherwise the terms of the committee's appointment remain the same.

### *Motion to Concur*

On motion by Hon J.M. Berinson (Leader of the House), resolved –

That the request contained in the Assembly's message be agreed to and that the members appointed to serve on that committee in the previous session be, and are hereby, reappointed to the committee.

## **JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION**

### *Personnel – Assembly's Message*

Message from the Assembly received and read notifying that Mr Ripper had been discharged from the committee and Mr P.J. Smith appointed in his place.

**ADDRESS-IN-REPLY – SECOND DAY**

*Motion*

Debate resumed from 14 March.

**HON GEORGE CASH** (North Metropolitan – Leader of the Opposition) [8.56 pm]: I have pleasure in supporting the motion moved by Hon J.M. Brown on opening day last week and couched in the following terms –

We, the members of the Legislative Council of the Parliament of Western Australia in Parliament Assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech you have been pleased to deliver to Parliament.

It is fair to say that there have been significant changes in, firstly, the economy; secondly, the state of the Ministry; and, thirdly, the attitude of the people of Western Australia to the Government of Western Australia because of the startling revelations that have come about as a result of the Royal Commission's commencing its formal investigations in the last two weeks. Those three very significant matters have occurred since the Parliament sat on 27 December 1990. During my speech I will deal with those specific issues. But in respect of the Speech that the Governor was pleased to deliver to this House I regret to say that the Government's legislative program appears very much to be a rehash of material we have heard in the past. Certainly it appeared to be a collation of earlier Press releases.

Hon J.M. Berinson: That is because the legislative program was announced by way of Press release.

Hon GEORGE CASH: If that is the case, perhaps the Attorney General can advise me why the Government has failed so miserably to address the economic hardship that is faced by many people in Western Australia.

Hon J.M. Berinson: Because that is not a matter for legislation.

Hon GEORGE CASH: Why has the Government failed to address the rural crisis?

Hon J.M. Berinson: It was given top priority, but does not require legislation.

Hon GEORGE CASH: Why has the Government failed to address the problem of increased unemployment in this State? Why has it attempted to dwell on social justice programs rather than hard economic programs that are needed if we are to revive the economy in Western Australia?

Hon J.M. Berinson: If Hon George Cash would like to read the Governor's Speech again he will find that first priorities relate to the economy and employment.

Hon GEORGE CASH: I have read the Governor's Speech many times. I recognise it as the Government's proposed legislative program.

Hon J.M. Berinson: More than that, its administrative program as well.

Hon GEORGE CASH: The Attorney General appears to have missed the point. The package the Government has proposed does not adequately address the things that I have mentioned. We should have a strong social justice program, but we cannot have social justice if we do not have a thriving economy to make it possible. In this debate I intend to deal with four issues: Firstly, the rural crisis; secondly, the consequences of a recent trip to India that I had the honour of making with a number of my parliamentary colleagues; thirdly, the likely environmental impact of a sanitary landfill dump which has been established at Tamala Park in the northern metropolitan area; and fourthly, the current instability which faces the Western Australian State Government.

In dealing with the rural crisis I refer to today's demonstration which made it clear, by the number of people who attended and by the speeches that were made, that many people in Western Australia are desperate. They are so desperate and frustrated that they felt obliged to march on Parliament House today – the day on which the real business of the House commenced – to try to tell the Government that they are hurting. Not only is rural Western Australia hurting but businesses and their employees are also hurting as a result of this Government's policies. Last Friday we witnessed some farmers' attempts to blockade the streets of Perth. Yesterday farmers dumped sheep at the United States consulate, on the steps

of Parliament House and outside some Federal parliamentary offices. While I cannot condone that sort of action I understand the desperation and frustration felt by the farmers in their current economic plight. Farmers are trying to get a message across to the Government that they are hurting. People in the metropolitan area are now certainly more aware of the rural problem after having their roads blockaded. They were also made aware of the farmers' plight by the media coverage of farmers' attempts to dump dead sheep at various venues in Perth. City people may now have a better understanding of exactly what is happening to the rural economy. This afternoon in the previous debate we heard about the situation facing the pastoral industry in Western Australia. Many of the comments I will make on the rural crisis relate to the wheat, wool and pastoral industries in Western Australia. It is time that people in the metropolitan area woke up to the seriousness of the economic plight of farmers. The crisis the farmers now face is probably the worst since the great Depression of the 1930s. It is a crisis which people in the metropolitan area should not ignore because it affects the whole of Western Australia, not just the country areas. The effects of the huge recession confronting rural industries will not end at the farm gates; they will be felt in country towns and, in the end, in the cities. People will lose jobs and economic activity will decrease.

Two weeks ago I accompanied a number of parliamentary colleagues from the Legislative Council and the Legislative Assembly on a tour of several wheatbelt towns. The outlook for the farmers we met in Dowerin, Wyalkatchem, Koorda, Beacon, Mukinbudin, Kununoppin, Kellerberrin and Tammin is grim. We met you, Mr Deputy President (Hon J.M. Brown), at Wyalkatchem on part of our tour of your vast Agricultural Region and you confirmed some of the comments that had been made to us by farmers. You also gave us an indication of what we might expect as we moved further through the Agricultural Region.

Farmers' production is critical to Western Australia. For a long time Western Australia has relied, firstly, on the agricultural area and, secondly, on the mining industry for the generation of export income. Those industries generate a significant part of Western Australia's export income. Commodity prices, particularly in the agricultural area, have fallen and the revenue to farmers has been slashed. One does not have to be a Rhodes scholar to understand that that will have a severe impact not only on rural Western Australia but also on the metropolitan area where the majority of our population lives. World wheat prices have fallen by more than 40 per cent since 1989, from \$195 per tonne to \$115 per tonne. The price of wool dropped by 40 per cent when the Federal Government discontinued the reserve price scheme, from over \$7 per kilogram to just over \$4 per kilogram. Exports have also decreased. Many of the organisations which have worked in the rural industry for some time and which represent rural bodies are able to forecast what is likely to happen if we do not tackle this crisis urgently. For instance, the Western Australian Farmers Federation has forecast that if wheat remains at its current price, cropping in Western Australia will probably drop by at least 35 per cent this year. Fewer farmers planting crops will combine with the effect of lower prices and cause a net reduction in our export income of more than \$600 million over the next two years.

Hon Sam Piantadosi: I support what the member is saying. There is a problem, but the industry needs to look at itself and diversify. It needs to get out of the traditional areas of wheat and sheep while the market is down and consider planting other crops.

Hon GEORGE CASH: I acknowledge that the comments made by Hon Sam Piantadosi are sincere. However, the problems will not be solved by planting alternative crops at this stage. It is true that some farmers will be able to plant alternative crops, but whether they will be able to survive until the next crop is planted is more important. That is the urgency with which the matter must be dealt. For instance, if we do not make a decision in Parliament in the next two or three weeks to establish a level of confidence among the majority of farmers, up to 30 or 40 per cent of them will not plant a crop this year.

Hon Sam Piantadosi: I accept that; but even if we assist them now, two years down the track they may be confronted with low wheat prices and the same farmers will have the option to look at alternative crops. I guarantee they would not look at them because they will not diversify. I found that out when I was on the Select Committee investigating rural education.

Hon GEORGE CASH: I understand what Hon Sam Piantadosi is saying, but if we do not do something now there will be no need for those farmers to look at alternative crops in two

years' time because they will no longer be on their farms. They will be forced off their farms within the next six months unless we give some sort of "guarantee" – I will not tell the House tonight exactly how that guarantee should be put in place. Unless we give the farmers and the financial houses, which have up until the last few weeks been backing those farmers, a level of confidence, at least 30 to 40 per cent of farmers in the wheatbelt areas – which I had the pleasure of visiting a few weeks ago with a number of my parliamentary colleagues – will not plant a crop because the banks will not finance them into that crop. Alternative crops are fine, but when a farmer visits his bank today and presents a budget which shows a \$40 000 deficit, the bank is uneasy about providing additional funds for him to put in a crop and he finds himself in a desperate situation. As I read the play, no member in this House is faced with that sort of economic problem. I know some members are farmers and no doubt their budgets show deficits in the region of \$40 000, but they are lucky to have a second job as members of Parliament. I am talking about those farmers who are at their wits end and who do not know where to go. They are in absolutely desperate straits and it is up to members of this House to recognise that, if they want to maintain the wheat and wool industries in this State, they have an obligation to –

Hon Sam Piantadosi: So has the industry.

Hon GEORGE CASH: Yes; the industry does have an obligation to become efficient.

Hon Sam Piantadosi: A number of them have not met that obligation.

Hon E.J. Charlton: It is about time you had a look.

Hon GEORGE CASH: Rural Western Australia has been having a battle for a number of years and the inefficient farmers have been cleaned out of the industry. The efficient farmers will also be cleaned out of the industry unless we recognise we have an obligation to them. It is easy for us to say it is a Commonwealth problem and the Commonwealth Government should rectify it. We have heard that the Commonwealth Government is prepared to dump the farmers and will not provide funding for them. We in Western Australia, given the particular mix of economy we have, depend on the agriculture and mining sectors and we have an obligation to stand up and be counted when it comes to offering the rural community support.

Hon Sam Piantadosi: Only this evening I asked Hon John Caldwell to supply me with information about a Chinese company which is after 100 tonnes of wool of a certain quality. The wool is available, but it needs to be treated. The market is there and the industry needs to get its act together.

Hon GEORGE CASH: Again I understand what Hon Sam Piantadosi is saying and in due course he will be able to expand on what he is saying. I recognise that markets exist and we may not be producing the goods required, but I advise him and other members that if we do not do something now to assist the rural community the farmers will not be around in two years' time to service any market – it will be all over for them. While we must have some regard for the longer term, today is "D Day" for the rural community. If we do not look after the rural community and we allow our export income to slump to the extent the Farmers Federation has predicted, the overall effect on Western Australia will be a decline in the economic community of up to \$1.7 billion and it will lead to a loss of something in the order of 35 000 jobs in Western Australia alone. It is true, as many members have said, that the country areas might be the first to be hit and to suffer, but that suffering will carry through to the metropolitan area. My plea tonight is for members to recognise that there is a rural crisis – after nearly five hours' debate on the crisis in the pastoral area most members would understand there is a huge crisis in the bush. The House should recognise that the crisis in rural Western Australia will impact significantly on the metropolitan area and there will be a decrease in economic activity and an increased loss of jobs.

The first town we visited on our recent visit to the wheatbelt was Dowerin and we had the opportunity to speak to at least 12 small business people who were keen to get across to the parliamentary delegation their message about how they were suffering as a result of the rural crisis. During the time I spent talking to the people in the wheatbelt on not one occasion did they complain about the situation confronting them. They had gone past that stage and were interested in giving the facts to the members of the delegation. They said they were taking that action not for their sake, but for the sake of the rest of the community. The small

business people at Dowerin, including the butcher, the baker, the hardware shop owner, the stock agent and the local hairdresser, made it clear that they would not make a profit this year because of the reduced economic activity. My colleague, Hon Tom Butler, is nodding his head and he acknowledges my comment that they were not complaining to the parliamentary delegation, but they were urging delegates to relate the facts to the Parliament so that the Government, through its Ministers, could take immediate action to do something about the rural crisis.

We visited the town of Mukinbudin, which has about 800 residents, and at least 100 people attended the meeting to welcome the parliamentary delegation to the town and to tell it how things were in the town. They produced a booklet entitled "Save our town - give Muka a go". Listed in the booklet were the things which city dwellers tend to take for granted: A good health scheme, conveniently located schools and colleges, an adequate public water supply and an adequate electricity supply. They are the things city dwellers take for granted but which rural people do not have unless they pay a premium for them.

Hon Sam Piantadosi: They have a good water supply.

Hon GEORGE CASH: Yes, the town has a water supply, but I do not think the people consider it to be a good water supply.

Hon E.J. Charlton: The answer you need to give Hon Sam Piantadosi is that not everyone lives in the town of Mukinbudin. We are talking about the area.

Hon GEORGE CASH: I will expand on that. Some of the farmers drove 60 or 70 kilometres to take part in our meeting. They would probably argue with Hon Sam Piantadosi as to whether they have a good water supply. I give the Minister for Water Resources, Hon Ernie Bridge, the credit that was given to him in a number of country towns where it was stated clearly that he has done much for those areas. I must say that those congratulations and complimentary comments made in relation to him as Minister for Water Resources did not necessarily carry over into his position as Minister for Agriculture. There is no doubt that people think that Hon Ernie Bridge is a decent sort of guy, but whether the proper thing has been done to protect rural industries is where the big question mark appears. However, I give credit where credit is due.

The group led by Hon Eric Charlton which travelled through the Agricultural Region was accompanied by other members: Hon John Caldwell, Hon David Wordsworth, whose electorate we were passing through, Hon Derrick Tomlinson, Hon Bob Pike, Hon Tom Stephens, Hon Tom Butler, Hon Garry Kelly, and from the Legislative Assembly, Mr Trenorden and Cheryl Edwardes, the member for Kingsley. We listened to the people and learnt much about their views of the Government and of what can or cannot be done for them. At the meeting in Mukinbudin the person who runs the local supermarket made it clear that goods which cost \$54 in Perth cost \$80 in Mukinbudin because of transport and other additional Government charges. I guess in the end, having been with my colleagues in that part of the eastern wheatbelt, I came away recognising that, firstly, we owe a tremendous debt to the people who work extremely hard in rural Western Australia to produce the crops which we export and which earn export dollars for this State. Secondly, as city dwellers we owe much to our rural cousins because many of the jobs we hold in this city would not be available if there were no economic activity in the bush. Thirdly, a huge public investment has been made across rural Western Australia in the form of schools, hospitals, public halls, water supplies, energy supplies and all the public services and facilities which are worth multimillions of dollars and which the taxpayers of this State have provided over many years. We stand to lose much of that capital investment if we are not prepared to give rural Western Australians a fair go during this difficult time.

Not all the news in the country was bad. We travelled through the eastern wheatbelt. I will leave it my colleagues to explain their thoughts on what we saw and on some of the positive things that can be done to improve the situation in rural Western Australia. A good project is under way in the town of Tammin, which members would recognise as Hon Eric Charlton's home town; that is, the Landcare project sponsored by Alcoa. It is looking pretty good as a conservation project for that area. The object of the exercise is to put in place a number of conservation initiatives to reduce the amount of salt found around the Tammin area and in inland Western Australia generally; to reduce erosion; to reduce the salt in streams in the general area; and to arrest declining soil quality as a result of the agricultural use of land over

a number of years. The Alcoa project is supported strongly by the Shire of Tammin and is aimed at reversing the trend that has occurred over a number of years. I wish this Landcare project and the people of Tammin, who are 110 per cent behind this project, continued success. I know this is an important and positive initiative. City school children will be able to travel by Westrail to the Tammin station, which was formerly Western Australian Government Railways' barracks in the town and which has been renovated to provide school style accommodation for children so that they will be able to learn much about the positive initiatives instituted by that town.

Before leaving the rural crisis I will mention the plight of two engineering firms that we visited in the town of Kellerberrin. One of those firms employed 60 people in its factory less than two years ago. We went through the factory and saw idle machinery worth in excess of \$1 million. Because of the downturn in the rural economy and the consequent downturn in economic activity, that firm now employs just the proprietor and two apprentices. Walking through that huge workshop as we did and seeing all the computerised engineering equipment lying idle and listening to the views of that proprietor was a fairly depressing thing because not only has that firm suffered a decline in employment opportunities but also the town has lost the families of the people who used to work for that firm. That has reduced activity in the town even more. The other firm we visited manufactured steel silos and had a separate business that fitted out luxury cars. It employed more than 60 people about two years ago but is now down to five. There was something in the paper about that firm the other day. The common plea received from those business people who were suffering a severe decline in their trade in that rural area was, firstly, that the Government would get off their backs; secondly, that consideration be given to phasing out payroll tax as that would be a positive initiative; thirdly, that relief be given from land tax and water rates; and fourthly, that electricity charges for businesses should not have to bear a 50 per cent surcharge above the domestic tariff. Reference was also made to financial charges such as the bank accounts debit tax, the financial institutions duty tax and the Commonwealth fringe benefits tax. The rural people were not complaining at all; they were presenting us with the facts that they wanted related to this Parliament so that some urgent action could be taken. The point made during that exercise in the country was that rural Western Australia can operate, and operate profitably, if we structure the system so that it is incentive based to give the people an opportunity to move forward.

It is not only the rural area which is currently suffering a massive downturn. I had the opportunity last week of attending a function at which members of the combined business associations were present. The people in the main were the presidents, secretaries and executive committees of about 10 business associations around Western Australia. They told a similar story to that of the people in the country areas of Western Australia. I asked one person to write down and send to me a page outlining on one side the things which he believed were causing problems for business, and on the other side some of the positive things which might be done to improve the position of small business in this State. I have here a list of some of the things which he submitted to me recently in a letter. The first was to remove disincentives so that small business people could become competitive. He was talking about disincentives by way of taxation and other Government charges. He also pointed out that small business in Western Australia could improve the unemployment position of junior members of the work force quite dramatically if there were some adjustment to junior wage rates. The usual problem of user pays was an important factor for people in the metropolitan area. Other matters raised involved the problem of the 17.5 per cent holiday pay loading, and the penalty wage rates small business was required to pay under the present system.

This person also suggested we should get rid of Thursday night trading. He claimed it was not necessary in view of the fact that we now have all day trading on Saturday. That is not something I necessarily agree with, but it was listed, and it was not unreasonable to bring it up. What he is really talking about there is the cost involved in opening on Thursday nights now that traders are required also to open on Saturday afternoons. Members will know that businesses are not obliged to open either on Saturday afternoons or Thursday evenings, but members will also recognise that when a business is part of a large shopping centre some very substantial disincentives can be applied by the landlord if one does not operate at those times. I know that my colleagues who joined me on that visit will refer to the situation during their contributions to the Address-in-Reply debate.



Another matter concerns my recent trip to India as a member of a parliamentary delegation led by the Leader of the Opposition, Mr Barry MacKinnon. I was joined by my colleagues in the Legislative Council, Hon Muriel Patterson and Hon Phillip Pandal. One thing we learnt as a result of that Indian exercise was that countries on the Indian Ocean rim offer tremendous new opportunities and marketplaces for products of Western Australian industry. I do not want to suggest that we are not interested in the Pacific rim, but from a geographic point of view the Indian Ocean rim is likely in the next seven to 15 years to become more important for Western Australia as we increase our dealings with those areas. Members will be aware that India is the world's largest democracy and shares an ocean with Western Australia, but to date we in Western Australia have tended to ignore the opportunities which present themselves in those Indian Ocean rim countries. By way of excuse I suppose I could argue that because Canberra is located in the east of Australia we have tended to take our direction from that place. I put it to members that it is now up to us. If we look towards the Indian Ocean rim we can expect to reap tremendous rewards over the coming decade. There is no doubt that in our dealings with Indian business people it was made clear that neither India nor Australia should believe that a fast buck can be made as a result of increased trade. It was made very clear to us that India is looking for a long term arrangement; it is not looking for fly by night operators or flamboyant business people such as those we have come to know in Western Australia in recent years. India is looking for a very stable and steady relationship which will move from strength to strength over a number of years.

At the moment Australia is being left far behind. The Americans, Europeans and Japanese are very active in India at the moment. We in Australia have to face the situation of being told by the Indians that our biggest problem as far as they are concerned is the lack of awareness of what Australia can offer India, and equally of what India can offer Australia. Let us not forget that there are 850 million people in India, and that has to be one of the world's biggest markets which we could ever expect or hope to tap into.

I was interested earlier to listen to Tom Helm relate a situation which he encountered in North Vietnam. He said that companies in North Vietnam had markets in Eastern Europe for garments and carpets, yet they were unable to obtain supplies of Australian wool. That same situation occurred in India. I am amazed that although we have a rural crisis in this country, in North Vietnam there are companies which cannot get hold of our wool for the reasons Hon Tom Helm outlined earlier. At the same time people in India say that they can get hold of our wool, but they are required to pay top prices for it. They were given a guarantee by the Federal Minister, Mr Kerin, that there would be no change in the reserve price, only to discover, after putting in massive orders for the year, that the reserve price has dropped and the Indian companies have suffered a substantial loss. There is without question tremendous potential if we can get those organisations together. I cannot speak for North Vietnam because I do not know sufficient about it, but it was made very clear in India that people there would be pleased to enter into joint ventures with either the Australian Government or some Australian trading organisation, take a considerable amount of wool off our hands, turn it into garments and carpets, and then sell it on the Russian market.

As members would probably know, India enjoys a special trading relationship with Russia and it would be able to sell certain products on the Russian market to which Australia cannot gain access. However, the Indians made the point that they do not have a great deal of foreign currency at this stage. Therefore, some special arrangement would have to be made regarding credit – that would be the case with North Vietnam as well. It seems that the opportunity exists for Australia to do business with those countries so long as it is prepared to accept that an up-front cash payment may not be involved. If we were prepared to transfer the wool and allow these countries to use their facilities to transfer the produce to carpets and garments, and to allow these goods to be transferred to another market, it would enable Australia to enter some world markets to which we have not been able to gain access in recent years. Over recent years the Australian Wool Commission has attempted to prop up the wool market and it recognised that farmers in Australia were buying back wool from themselves and paying massive penalty interest rates on wool holdings. That may be one of the reasons that the commission has not been prepared to exploit the opportunities which clearly exist in North Vietnam and India. The time has come for Australians to recognise that we are good at producing wheat and wool – we can do it efficiently. Other places in the world are good at processing wool and we should consider entering into joint ventures with them. That would be to the benefit of Australia.

The parliamentary delegation had the opportunity to go through a huge woollen mill in Bombay. The managing director of that organisation, known as the Raymond Woollen Mills, was proud to show us bales of Australian wool that were held in stock; only Australian wool was held. This company purchased \$15 million-worth of Australian wool last year. The managing director took us right through the operations of that firm, and approximately 2 000 people were working in that factory. We went from the initial stage of the scouring of the wool right through every process to the making of the yarn and the fabric. The factory was also manufacturing men and women's clothing for overseas markets. It was an interesting exercise to go from the front of the factory and see the wool taken out of the bales to the other end of the factory and see the garments on hangers. One end of the factory contained a showroom from which the garments were sold. We were told by senior officers of that firm that they were prepared to duplicate the factory, as they had markets available in which to sell the produce. This could be done provided the Australian Government was prepared to provide wool on favourable terms. The company does not have the money but it has the opportunity to make our wool into garments. In due course the company would pay for the costs involved to the Australian Government.

One problem experienced in Australia in recent times is that many Australians still look upon India as a place which grows only tea and cotton. We had the opportunity to inspect a number of huge engineering plants on our trip; one at Madras was owned by the Sankar Corporation. This was a joint venture between an Indian firm and an American firm, and it was producing high technology material, with which Australia would be proud to be associated. There is no question that India has the engineering expertise to produce high technology material. India is technology hungry. This was revealed by the Indians on a number of occasions. As a result of discussions it was recognised that opportunities exist for significant joint ventures between India and Australia. Where joint ventures are not possible, the Indians believe that significant opportunities exist for Australian technological expertise to be transferred to India. The Indian economy would benefit from such a transfer and Australia would earn significant export income.

We learned as we moved across India that one of India's greatest problems is a lack of power for its industries. It was put to us that India would be very happy to talk to Australia about 20 year coal contracts. This could be done as long as Australia was prepared to show India how to build a power station or power stations. In such cases we would be looking at 2 000 megawatt stations. It would be necessary for us to transfer the technology and have some input with the funding of the power stations. That does not mean that Australian dollars would have to be provided; proposals could be put to the World Bank and the International Monetary Fund for those organisations to fund the power stations. This would provide a net benefit to Australia.

Hon Doug Wenn: Did you find that the business would stay in Western Australia or does it apply to Australia as a whole?

Hon GEORGE CASH: As Hon Doug Wenn would know, when one goes overseas one does so firstly as an Australian. However, one has the parochial interests of Western Australia at heart. We made it very clear that we had contacts in Western Australia with which we could put Indian companies in touch. Nevertheless, we indicated that a bigger Australian market was available if necessary and that the Indians could enjoy the fruits of any dealings which might be arranged. An Eastern States company known as White Industries recently completed a \$500 million deal to build a coal washing plant in India. Other opportunities exist for other Australian companies.

Hon Doug Wenn: What does it do; does it wash the basic external dirt off the coal?

Hon GEORGE CASH: I cannot tell the member the technical details of the coal washing plant.

Hon Doug Wenn: There is a high phosphorus level in dirty coal.

Hon GEORGE CASH: I believe Indian coal has a high level of coal ash. As we produce a higher grade of coal we were interested to learn that, although we export coal to India, India exports iron ore to Australia. We believe that we are the biggest exporter of iron ore, but it is interesting that BHP imports iron ore from India. This is a particular variety and mix of ore.

Hon Tom Helm: It is a low grade ore.

Hon GEORGE CASH: Hon Tom Helm would be aware of that situation.

Undoubtedly tremendous opportunities exist in Western Australia for dealings with India if we are prepared to take a long term view. Great opportunities are available for the wheat industry, and these are being considered at the moment. I was pleased to be part of that delegation, and I know that we left our Indian friends with some positive suggestions about how they can continue, or increase, their trade with Australia. Also, I acknowledge the hospitality extended to us by the Madras Chamber of Commerce. This group visited Perth last year and members of the Parliamentary Liberal Party had the pleasure of hosting the chamber's members on their visit to Perth before they moved on to the Eastern States. The Madras Chamber of Commerce is very keen to expand trading opportunities with this State. I and my colleagues and, I hope, the Government should be pleased to expand our dealings with that chamber of commerce.

The next matter that I wish to refer to is an environmental time bomb that has been planted on the doorstep of the northern metropolitan area. I refer to the Mindarie supertip known as Tamala Park. Many people in the northern suburbs believe that it is a time bomb waiting to go off. I, as a member for North Metropolitan Region, share their concern. I believe that, in due course, the 22 hectare site which comprises Tamala Park will pollute the ground water table in that area and we, as residents of Perth, will live to regret the decision to site the tip in that area. However, more than that, we, as parliamentarians, will live to regret the fact that we did not ensure that adequate environmental controls were placed over the land where sanitary landfill dumping is now taking place. Many in the Parliament might say that it is up to anyone who criticises a sanitary landfill dump to come up with some sort of alternative. I believe that the three local authorities – the Cities of Perth, Stirling and Wanneroo – that came together when the concept was born 10 or more years ago and agreed to the creation of the supertip at Mindarie did so in good faith. Ten years ago the environmental problems associated with the Mindarie tip were not recognised the way they are today.

Hon Sam Piantadosi: They certainly were. I raised them in 1979 in relation to the Gnangara mound when waste water was polluting the ground water.

Hon GEORGE CASH: I am glad that has been placed on the record. I know of Hon Sam Piantadosi's interest in water resources generally and I recognise his concern for the protection of our water resources expressed over many years. However I believe that when the concept was born it was born in good faith and that there was at the time, as I understand it, a belief that the necessary environmental controls would be put into place. Now, some years down the track, those controls are not in place and the people in the Quinns Rocks area who have been trying for a number of years to raise this issue with the Government and who have not been successful in getting their message through have a time bomb on their doorsteps at Tamala Park. Having gone through the environmental report that was produced some years ago by the Environmental Protection Authority and having read the recommendations and conditions that were imposed in relation to the Mindarie supertip, I share their concern because inadequate environmental controls have been placed over that area. My main concern is the problem with the water table. I understand dumping has commenced and that rubbish is being dumped a mere three metres above the current water table. It so happens that the water table will move in that area and experts say that rubbish that is being put in there now will be saturated within a relatively short time and the water table will be polluted.

It is interesting to read in the 1985 Environmental Protection Authority report the comments of the Water Authority, which was invited to comment some years ago on the acceptability of that area for a sanitary landfill tip. The then Water Board was quoted as saying that, although it might not be ideal, the Mindarie site complied with the basic requirements for the protection of public water supplies and that a properly engineered waste site would not threaten the Quinns Rocks water supply. In that regard I refer to appendix D of EPA Bulletin No 320, the report and recommendations on the proposed refuse facility at Mindarie, November 1985.

It is interesting that, even though the Water Board made those comments in 1985, last month the *Sunday Times* alleged that an internal Water Authority document dated 1990 showed that there were concerns about the tip and that the authority, if it were now called upon, might have a different view of the acceptability of Mindarie as the site for the supertip. The 1990

Water Authority letter is alleged to say in part that the Mindarie tip is over part of the better quality ground water and that the tip could be a constraint on development, although the report went on to say that the Water Authority believed there were ways of extracting water from the eastern side of the tip before the flow actually reached the contaminated area.

Another interesting report has been released in recent times. I refer to the conclusions reached by the Curtin University irrigation and hydrological engineering consultant, Mr Rick Finney, who in 1989 wrote an appraisal of the Tamala Park site. I am more than happy to provide a copy of that report to any member who is interested.

Hon Sam Piantadosi: Thank you.

Hon GEORGE CASH: Mr Finney described the Tamala Park proposal as foolhardy and environmentally irresponsible. In his report he warned that toxic pollution – that is, from heavy metals – would contaminate the ground water around the park and that levels of toxicity in market garden produce grown close to the tip were expected to climb until they exceeded that level suitable for human consumption. Mr Finney suggested also that the tip would cause toxic discharge into the ocean between Burns Beach and Quinns Rocks. He also claimed in his report that the documents supporting the Tamala Park proposal that were listed in the 1985 EPA documentation relied on outdated scientific data. The various authorities of the Government, particularly the EPA and the Water Authority, have, by their actions and reports, allowed a time bomb to be deposited in the northern suburbs.

In due course it may be necessary to remove the rubbish being dumped there on a daily basis so that the contamination which unquestionably will occur in that area can be cleaned up. The Government should be asked a number of questions relating to why we have reached this point in contaminating our water supply in the northern suburbs. I shall list some of the questions I would like answered to satisfy myself as to how these decisions could have already been made. Perhaps the first mistake the Government made was in not carrying out a complete hydrological study of the general area. It is up to the Government to acknowledge why it did not impose that as one of the conditions before the supertip was allowed to operate. These are some of the questions that should be answered by the Government so that we can better understand why the tip has been allowed to be established.

Firstly, I ask the Minister for Water Resources to tell this House of any hydrological studies that have been carried out on the ground water flow beneath the Mindarie refuse site to determine the direction of the flow, and to provide details of such studies and their conclusions. The reason for that question is that inquiries made to date indicate that no such studies have been made and no-one is able to predict which way the water will flow under that site.

The Government should also clearly indicate whether it believes the sanitary landfill operations at the Mindarie regional refuse site will cause pollution to the water table. The Environmental Protection Authority report claims that the conditions imposed will prevent any pollution or contamination of the water table. In 1985 the then Water Board said that the site was not necessarily the best site but it was acceptable. Firstly, the Water Authority now appears to have changed its mind – as indicated by internal documentation – and, secondly, I understand that were the Environmental Protection Authority again asked the questions it was asked in 1985 it would present different conclusions and different recommendations. I understand that the Minister for the Environment has recently written to the EPA asking whether it believes it should reconsider the future of the site.

Another question which should be answered if we are to have any confidence in the Government's using the Mindarie site as a sanitary landfill dump is whether the operations at the Mindarie regional refuse site have an effect on the water regime and wetland areas due east of the site. If so, what is the likely time scale with respect to measurable signs of toxic pollution? I said a few minutes ago that the Water Authority recently claimed it would tap water east of the site because it believed it would not be contaminated. There is an enormous wetland system east of the site and hydrological engineers who have tendered advice to local action groups in the area believe that part of the flow will move eastwards, and that the Water Authority is not correct in suggesting that the flow will occur only westwards towards the ocean.

Another question the Minister for Water Resources should answer is whether the sanitary

landfill operations at the Mindarie regional refuse site cause toxic pollutants to flow into the ocean west of the site. If so, what is the likely effect of this pollution and the likely effect on marine life in the area to be polluted? The reason for that question is that west of the site is the suburb of Burns Beach and the Burns Beach ocean frontage. I understand the EPA has recognised that a certain pollution plume will penetrate that area but it does not seem to be recognised that that area of ocean forms part of the Marmion Marine Park. A number of laws exist for protecting marine parks and yet the EPA is prepared to allow the dumping of rubbish at the Mindarie site, recognising that the toxic flow is to the west, towards the ocean and straight into that marine park. It is an unbelievable situation for the EPA to have agreed to that but, more than that, no-one seems to know how much damage will be done to the marine park where the outfall plume is likely to occur.

Residents in the area who own land and draw water from the water table are also interested in knowing whether there are any restrictions or proposed restrictions on the drawing of bore water west of the site. If there are restrictions, they want to know exactly what restrictions exist today and, if there are none at the moment, whether it is proposed to impose restrictions in the near future. Landowners are entitled to know where they stand with regard to drawing water in that area.

The Minister for the Environment also has a number of questions that need to be answered. One such question is what requirements have been imposed on the Mindarie Regional Council or other authorities for the establishment of monitoring bores to obtain information on ground water quality, both on site and off site, at the Mindarie regional refuse site. Have these monitoring bores been established? If so, will the Minister provide details of the location of each bore and the depth of each bore. What analysis has been made of water samples from these bores to establish the water quality prior to sanitary landfill operations commencing? Which Government departments or authorities are required to be informed of the results of the ground water quality monitoring?

It is clear to me that in the past approvals have been given to various proposals but the people concerned have forgotten to study the situation before operations began and to monitor the situation as dumping continued. It has recently been observed that the baling plant at Yirrigan is leaching toxic pollutants into the ground water table and there are problems in that area. The question that needs to be determined is whether monitoring bores were put down before the operations began so that a benchmark is available to determine how much contamination has occurred or will occur to the ground water table in that area. I suggest that sufficient bores have not been sunk at Mindarie and no understanding of the quality of the water in that area was gained before the dumping of rubbish began. The Minister for Health should also be obliged to indicate at what rate and in which direction the leachate from the Mindarie refuse site is expected to move. What is the likely chemical composition of the leachate material? Interesting chemical compositions can be achieved from the combination of pollutants dumped in sanitary landfill sites. People with backgrounds in the study of chemistry understand that it is necessary to keep certain chemicals apart and that if they are mixed a toxic cocktail can be created; this is the potential danger with sanitary landfill dumps. All types of chemicals are dumped in the one spot and they leach down and mix, creating a toxic time bomb further down in the water table. We are prepared to dump all types of chemicals into the same hole and then hope that they do not mix. Someone who is critical of any landfill site is often invited to come up with an alternative proposal; unfortunately, at the moment I do not have an alternative for Mindarie.

Hon John Halden: Would you consider lining a tip?

Hon GEORGE CASH: The Environmental Protection Authority in its report considered the possibility of lining Mindarie tip, but for some reason decided it was not necessary. That is another criticism the various action groups and others living close to the tip have raised with me. It is fair to say that to date the lining manufactured for sanitary landfill dumps is not adequate and in the end does not prevent toxic pollutants from leaching. Hon John Halden has asked a fair question, but, as I said, at the time the EPA compiled its report it was not believed it was necessary to line the tip. As I said, I do not have an easy solution to the problem. If I did have a solution I would put it to the Government committee that is considering this matter.

We need to establish a metropolitan waste disposal authority. It is not good enough to have

every local authority concentrating on the disposal of its own rubbish. Dumping rubbish in isolation will have a cumulative effect on the ground water table in the metropolitan area. The only way we will overcome that problem is to establish a metropolitan waste disposal authority.

Hon John Halden: It may be that you need a Statewide local authority, not a metropolitan one.

Hon GEORGE CASH: That would be the ultimate solution. At the moment, most rubbish is generated in the metropolitan area. If a metropolitan waste disposal authority were established it would be a significant step forward. One could then hope that regional towns would recognise the worth of that authority and establish similar bodies.

Hon John Halden: The mining industry creates a lot of waste.

Hon GEORGE CASH: I am dealing with domestic rubbish, but I recognise that industries generally create waste. One of the positive suggestions that has been made – and it is a matter that the Government may wish to consider – is the transfer of domestic rubbish generated in the metropolitan area to a more stable environment. One of the criticisms about Mindarie is that it is located on Bassendean sands and a limestone formation which is very unstable. Consideration was given to transporting the rubbish by rail to some of Western Australia's mining areas; for instance, Koolyanobbing. It was proposed to dump domestic rubbish in a stable environment where it could decompose and not pollute the ground water.

Hon John Halden: This spirit of bipartisanship is worrying me.

Hon GEORGE CASH: I recognise that Hon John Halden was a former member of the region in which the Mindarie tip is located. I do not have all the answers and the Government does not have all the answers, but it is important that as a member for the area I express concern at the environmental time bomb that is being created. Over time millions of tonnes of rubbish will be dumped in that area. At the moment we believe economic savings are to be made by using the Mindarie site as a sanitary landfill dump. We may rue the day we allowed this tip to commence its operations when we find that a considerable financial liability is imposed on the community to get rid of the rubbish to stop the contamination.

Recycling of waste materials is an alternative. Members will be aware of other suggestions that have been made for alternatives to dumping rubbish. When I was in the Mindarie area a few weeks ago I had the opportunity of referring to Perth Metropolitan Region Geological Survey Map, Sheet No 2034, which outlined the environmental geology of the area. Can the Minister for Mines advise the House of the notations made on sheet No 2034 regarding the general features, the physical properties and the suitability of the specific land uses for that area of land which comprises the Mindarie refuse site? It is clearly stated on that sheet that the area of land on which Mindarie tip is located is unsuitable for that land use.

The site on which the Mindarie tip is located is also argued to be a site of Aboriginal significance. It has been claimed by some that it is only in recent months that the Aboriginal community has suggested that the Mindarie site is an area of Aboriginal significance. I can put that suggestion to rest because if one reads page 12 of *The West Australian* of 28 October 1988 one sees an article written by Gill Waddacor under the heading, "Proposed tip is on a sacred site". This indicates clearly that even in 1988 the Aboriginal community believed that that site was a significant one and so they raised the issue at that time. I will not enter into that debate as the Aboriginal Heritage Council has already considered it. I have been on the site with Aboriginal people who have pointed out the areas they believe were used by the Wagyl and other identifiable Aboriginal features. It is certainly not a recent figment of the imagination of the Aboriginal community when they suggest the site is of Aboriginal significance because that was suggested way back in 1988. I want placed on record where I stand in relation to that site. I also want it recognised that I believe that those associated with the Mindarie regional council have acted in good faith to date. They have taken advice from various Government departments, in particular the Environmental Protection Authority, the Health Department and the Water Authority. They formulated their plans working on the advice provided. I suggest that the advice tendered to the council may have been based on wrong scientific assumptions and that the Health Department, the Water Authority and the EPA should be required to reconsider their earlier recommendations and advice in respect of that site because it is an environmental time bomb which will go off at some stage; there is no doubt about that.

The fourth area relates to the current instability of the State Labor Government of Western Australia. I guess I should start by offering the Premier, Dr Lawrence, and her colleagues, my condolences, because it seems to me that the Labor Government in Western Australia has finally gone beyond all hope of recovery. Its diagnosis is terminal.

Hon T.G. Butler: Did Hon George Cash hear the result of the vote in the other place tonight?

Hon J.M. Berinson: The Liberal Party could not keep its own side together.

Hon Graham Edwards: Its members deserted Mr MacKinnon; he could not pull his own house together.

Hon GEORGE CASH: I raise the question of instability in the Government and Government members in this House try to distract my attention and the attention of other Opposition members who are listening carefully to what I am saying by referring to a vote taken in the Legislative Assembly. I ask members of the Government if they can count, because if they can they know that every proposition put forward by the Government will be carried in the Legislative Assembly because of the brutality of numbers. Members opposite know that as a Government because it is what they use every day of the week.

Several members interjected.

The DEPUTY PRESIDENT: Order!

Hon GEORGE CASH: You can see, Mr Deputy President, how sensitive Government members become when I mention Government instability. I offer my condolences to the Government and members opposite become upset because they know they have a terminal condition. Members opposite should not laugh.

Hon J.M. Berinson: Not while we are being helped by the Leader of the Opposition.

Hon GEORGE CASH: Hon Joe Berinson sits in his position as Leader of the House because of support from this side. If members on this side had not acted in his interests in recent weeks when he was overseas there would be someone else sitting in his place tonight. Hon John Halden, who sits behind Hon Joe Berinson, laughs. Laugh he might, because earlier tonight he was sitting in Hon Joe Berinson's seat talking to Hon Kay Hallahan. I said to my colleague, Hon Phillip Pandal, "Do you think we should go and let the Leader of the House know that it looks like he has lost his job already?" I am glad to see him return.

Several members interjected.

The DEPUTY PRESIDENT: Order! I point out to the Leader of the Opposition and other members responding to him that I have been rather tolerant up to this stage. I ask the Leader of the Opposition to now continue with his Address—in-Reply speech.

Hon GEORGE CASH: Indeed, I will. I was referring earlier to the botched ministerial reshuffle. There are a few people in this Legislative Council who know something of what I am talking about; I am referring to certain Government members. We will deal in a moment with four pages dealing with that matter.

Hon John Halden: Let's deal in facts.

The DEPUTY PRESIDENT: Order!

Hon GEORGE CASH: They were written by a member opposite. However, I know it was not Hon John Halden.

Hon T.G. Butler: I do not know who wrote it, either.

Hon GEORGE CASH: Hon Tom Butler gets a good mention in the four page letter, as does Hon Jim Brown, the Deputy President. A number of members on the Labor side come out with honourable mentions. There are some others in the Labor Party with an awful lot of blood on their hands, including some in the other place, as well. The botched ministerial reshuffle, the infusion of new blood that was to revive the Government, went wrong. What happened? The Premier sacked three Ministers and ended up with Mrs Pam Buchanan resigning from the Labor Party —

Hon Tom Stephens: She will be back.

Hon GEORGE CASH: Can Hon Tom Stephens guarantee that?

Hon Tom Stephens: We are working on it.

Hon GEORGE CASH: Hon Tom Stephens should not work on it because that is a sure recipe for disaster. If he had heard Mrs Pam Buchanan talk about him he would stay right away. There is no need for him to get involved. Secondly, we saw the resignation of Hon Jeff Carr. It was a disappointment to me to think that –

Hon T.G. Butler: Is Hon George Cash going to tell us about Mr Court and Mr MacKinnon following this?

Hon GEORGE CASH: I wish to talk about Hon Jeff Carr. I am disappointed that the Government through one of its Ministers did not move a motion today recognising the good service that Hon Jeff Carr gave to this Parliament in the 17 years he was a member. I think the Government has done him a disservice.

Hon J.M. Berinson: That led the Governor's Speech.

Hon GEORGE CASH: Hon Joe Berinson should not keep a straight face when he says that. I think that as a matter of courtesy and of recognition of the good work that Hon Jeff Carr did in this Parliament over the past 17 years he deserved a motion of appreciation to be moved by the Government. I do not think it was up to the Opposition to do that, although I discussed the matter with my colleague, Hon Phillip Pandal, who said he believed the Government would do it and there was no need for us to move the motion. We are still waiting. The fact is that Hon Jeff Carr was sacked but members opposite did not realise he was a man of principle who would not stand for that and would resign from the Parliament. Where does the Government stand now in relation to the seat of Geraldton? It knows it is goodbye.

Hon John Halden: No better than the Liberal Party, which has picked the wrong candidate yet again.

Hon GEORGE CASH: I invite Hon John Halden to meet with the new member for Geraldton, as he will be in a matter of a few weeks, Mr Bob Bloffwich, and say that to his face because he is a straight shooter and the sort of bloke who will line Hon John Halden right up. He will win the Geraldton by-election because Jeff Carr turned his back on the Labor Party as a result of the way in which he was treated.

The third person sacked was Hon Gavan Troy, another person I believe served this Parliament well. He is still unsure whether he wants to remain a member of the Labor Party. That does not say much for that party. He is doing much soul searching and it will not surprise me if he decides to call it a day and resigns from the Parliament leaving the seat of Swan Hills vulnerable to being won by the Liberal Party. Were I a cynical person I would suggest that the Premier's hatchet job in fact deserved a vote of thanks from the Opposition. However, I am not a cynical person. I do not believe that it deserves a vote of thanks, but members of the Labor Party should look very hard at the way they do business in the future when they decide to dispatch a few Ministers. I had the opportunity recently of having dinner with a member of the Labor Party. He made the point to me that some years ago things were not done this way, but things have changed.

Hon Tom Stephens: What is happening in South Perth?

Hon GEORGE CASH: I do not know. I live in South Perth. The member will have to tell me.

Hon T.G. Butler: Is there any truth in the rumour that you are the favourite for the seat of Floreat?

Hon GEORGE CASH: I can guarantee I am not the favourite for the seat of Floreat, and the member can put his money on that.

Not only did members opposite fire three Ministers and botch that but also Dr Ian Alexander, the member for Perth, a person for whom I have very high regard, having listened to him when I was a member of the Legislative Assembly, and who made some very fine speeches, particularly in respect of his profession of town planning as it related to the City of Perth, decided on Labour Day, 4 March, that he had had enough of the way the Labor Party was fighting and ripping itself to pieces. He decided to resign and become an Independent. It will be interesting to see where the Labor Party ends up at the next election when it contests the seat of Perth.



The other person who was not fired but who obviously was very upset with the way things were happening was Mr Frank Donovan, the member for Morley. I am not sure at the moment where Mr Donovan fits, whether he has made some sort of deal or has imposed certain conditions on his remaining in the Labor Party for the time being, but clearly problems remain in that area. The Australian Labor Party has a terminal disease. It is starting to fall apart.

Hon Tom Stephens: Don't worry about us. You are the ones with the problem.

Hon GEORGE CASH: I recently had the pleasure of going with the member to the eastern wheatbelt. I enjoyed his company, and I tried to keep him out of trouble as much as I could.

I referred earlier to a four page letter which was circulated to a number of members of Parliament and also to a number of members of the Perth media.

Hon P.G. Pendal: Is that the one about Mr Berinson?

Hon GEORGE CASH: Yes, in part. It is headed, "re: splp & cabinet". I do not know who wrote this letter because it is not signed, although I note that the Premier claims that the author of this letter saw her after it had gained some publicity and apparently apologised for writing all those things.

Hon Reg Davies: It was not Gavan?

Hon GEORGE CASH: I do not know. Maybe one day one of the Labor Party members will be kind enough to let us know. I will read some of the letter for the benefit of those members of the Labor Party who may not be privy to its contents or who may not have had a copy slipped under their office door. It says –

The pressure for change came from elements within the leadership of the left to bring about renewal: primarily from McGinty & Halden; supported by Chris Evans.

The Right decided they wanted to get Carr out because in his office were the core group of dissident members of the right: Helen Hale, Peter Hatjavasilior, Peter Clough: this group has destabilised the right and ensured the election of a dissident right (Lyn Amore) onto Admin Committee

McGinty/Halden had indicated to the Premier that the Left require renewal (read "knifing") of:

- \* Buchanan
- \* Carr
- \* Troy
- \* Berinson
- \* Thomas

Hon P.G. Pendal: Three out of five so far.

Hon GEORGE CASH: Yes. The letter continues –

Elements of the Left met at Parliament House Monday 14th trying to stitch together –

Hon Sam Piantadosi interjected.

Hon GEORGE CASH: The member is one of the good guys.

Hon Sam Piantadosi: Please explain to us: Did McGinty stroke Halden?

Hon GEORGE CASH: I repeat, McGinty/Halden. The letter continues –

– a renewal proposal that would work: they could not agree on who was to replace Buchanan: desired by McGinty, Watson and Catania – and no agreement on who should get it.

Hon John Halden: The difficulty is that McGinty was in the south and I was in the north. You must get a bit of fact in this.

Hon GEORGE CASH: The letter continues –

Larry Graham, Nick Catania, Fred McKenzie, Jim Brown, Frank Donovan, Ian Alexander and Yvonne Henderson are growing increasingly disaffected with the leadership of Halden/McGinty.

Centre Left met on Monday afternoon 21st at Pearce's office: attended by Hallahan, Troy, Stephens, Ripper & Thomas and agreed to ask the Premier to get Joe Berinson to stay.

Berinson had been for a long while thinking of standing down; recent discussions with the Premier led to him being asked for a departure date. He is at his most vulnerable emotionally with two daughters in Jerusalem. Halden has been using the line that in view of this and the Commission it is best to get Joe to go now and be replaced by Halden.

Julian Grill organised a meeting of the non-aligned (includes Carr, Smiths x 2, Leahy, Nevill, Read) at Parliament House: they want Berinson to be retained.

Several Government members interjected.

Hon GEORGE CASH: As much as members of the Government may want to shout me down and not allow me to read this document, I should indicate that I will provide a copy for *Hansard* so that all the words can be recorded. The letter continues –

Problems of organisation: Caucus was deferred twice during January because of these tensions: on Tuesday 29th there were many SPLP members away: Edwards, Helm, Brown in Vietnam; McKenzie, Jones, Butler, Cunningham were away in Sydney with a Parliamentary Bowls team – scuttlebutt is rife that the Premier flew Beryl Jones back with a Government supplied charter in order to assist with the numbers; Butler – who was with Jones – was left in Sydney where he was because he told the Premier he did not agree with the plot; Pearce was scheduled to be in Taipei but cancelled.

Hon T.G. Butler: Repeat that. I want to hear that as well.

Hon GEORGE CASH: It was a good comment about the member. It said that he did not agree with the plot and, therefore, was left in Sydney. The letter continues –

Bridge was thought to be opposed to the spill and when he rose to speak in Caucus was called on the basis that he was speaking against the spill motion: he started his speech with the start of a strong attack on the way that people had now destroyed trust and loyalty with each other, but then in mid sentence changed his stance and supported the spill.

The Geraldton, Ashburton and Swan Hills branches have all been shrill in their opposition to the events of the last two weeks. Large numbers of party resignations have been received.

Lawrence has been trying to pacify Troy and Carr and has had Chris Evans, Terry Burke and Keith Wilson approach them.

Lawrence has issued an order which prevents the relocation of the sacked ministers staff without her express approval: Fiona Mitchell, Graham Harman and Helen Hale (PPS's in the sacked ministers offices) are all being blamed for their ministers defiance of the Premier.

Carr's super pay-out is understood to be \$750,000; Troy's about \$550,000; and Buchanan's somewhat less.

In McGinty's calculations prior to the spill be worked out –

This is not even good English!

Hon John Halden: That is what made us think it was one of you guys.

Hon GEORGE CASH: It continues –

– which Ministers could not afford to kick up a fuss if they were sacked: he made a miscalculation about the super rules and anticipated that Buchanan, Carr and Troy would all hang in. He has not come up to speed with the new super rules: only one condition has to be met out of a list of about ten to make a member eligible for super: e.g. turned 55 and doctor's certificate is understood to be enough.

Many SPLP members now expect opposition will block supply in 1991 during the Royal Commission and force an election: after some of the worst revelations are out during the year.

The ALP Party office (and Stephen Smith) want the State Government to face the polls earlier rather than later (i.e. 1991 is seen to be better than 93 or 92) so as to allow the voters an opportunity here in WA (and also in Victoria) to exact their retribution against the ALP and install Liberal Governments and then in turn provide the Federal Keating Labor Government a chance of election in mid 1993. Party Office is working on the basis of certain defeat for ALP at WA level and wants to secure safe seats for "loyal" Left Members and some Ministerial experience for the new left team: McGinty/Watson/Halden.

I will now speak about one of the more respected members in this place. It continues –

McKenzie is angry at the usurping of his role as convenor of the Left by McGinty/Halden. Donovan or Alexander are thought to be in danger of losing their pre-selections and may as a result join Buchanan (Carr, Troy) on the cross benches as Independents.

Speaker Barnett voted for the spill to remove Buchanan, Troy and Carr and may be targeted by them as a soft target for removal as punishment: Barnett declined to take calls from any of the deposed Ministers in the crucial days in the lead-up to the spill and left others convinced that he would be voting against the spill.

At the Caucus meeting the coup attempt was muffed right from the start: they did not have the two thirds for the immediate spill, Lawrence therefore gave notice that she would move at the next meeting for a spill and when she sat down Taylor tried to second the motion: Jeff Carr had to point out that they had the procedure wrong and had to guide them through the procedural steps necessary to effect his own spill from Cabinet.

Prior to this meeting the Left had met to decide their stance on the spill: 11 for 5 against. Three of those opposed (Donovan, Alexander, Buchanan) then left the meeting: McGinty gained only 7 votes to Catania's 6 votes for the left endorsement for the vacant position. If Donovan, Alexander, and Buchanan had stayed Catania would have been the new minister and all McGinty's efforts would have been for nought.

Hon John Halden: You are wrong.

Hon GEORGE CASH: I can only read the letter. Mr Halden will have an opportunity of standing up later and refuting all the clauses in the letter. At the moment I read into it that Hon John Halden was a lead player in trying to get himself into the seat currently occupied by the Leader of the House.

Hon John Halden: You are right first time; wrong second.

Hon GEORGE CASH: To continue –

In the vote in CAUCUS: Troy stood for the three vacancies and missed out on being returned to Cabinet by just three votes: i.e. 18 to 23.

Gavan Troy is about to dump a bucket on McGinty: it includes a file prepared from a variety of sources that reveal McGinty's involvement in recent years in industrial relations – there is some suggestion of quasi criminal activity, and also some evidence of his improper meddling in the affairs of the other unions. It is understood that Troy will hang onto this material until its damage can be most effective.

Buchanan is going to resign from the Parliament when she turns 55: 6 Feb 1992. She will then be eligible for full pension, her seat of Ashburton will be unwinnable for the ALP in the immediate post-royal commission climate with a by-election in early 1992. Tom Helm will be told to contest this seat: his loss is anticipated and sought – he was opposed to the Dowding spill and the recent spill.

Troy and Carr are known to be wanting to inflict maximum punishment on Lawrence for her poor handling of them.

Lawrence has still not approached Joe Berinson personally to ask him to stay on: despite claims to Caucus and the media that she has done so.

Berinson is known to be very angry at the removal from Cabinet of Troy and the arrival in Cabinet of Watson.

David Smith considered that his loss of Community Services was punishment and demanded that the Premier include Planning among his portfolios: this was otherwise marked for Wilson. Smith got what he wanted.

Grill and the non-aligned are angry that the country has been stripped of Ministers: and are planning to build the strength of a new group in Caucus to confront the Left/leadership control.

Bill Thomas saved his neck as Parliamentary Secretary by agreeing to the spill and assisting with the numbers; Ripper's number was needed as well and that is why he ended up becoming a Minister instead of the Right's Kobelke. Wenn and Jones were brought in to favour the spill on the basis that previous threats to remove their pre-selections would be abandoned.

McGinty was offered Aboriginal Affairs but declined it as too potentially damaging. McGinty wanted Environment but was talked out of that by Jack Marks – who indicated that in such a pro-environment seat he would never satisfy his green constituents . . anything given would never be enough. Pearce was marked for retribution (he opposed the spill) but was saved only by the late realization that such petty retribution would weaken the Premier's image.

Those opposed to the spill who voted against the spill: PEARCE / GRILL / NEVILL / PHIL SMITH / LEAHY / GRAHAM / STEPHENS / BUCHANAN / CARR / TROY / ALEXANDER / DONOVAN / KELLY / McKENZIE.

Those opposed to the spill but voted to save the Premier's public face: David Smith / Ernie Bridge.

Those opposed to the spill but in the Left who voted with their factional position: Edwards / Catania.

Those opposed to the spill who voted to save their own necks: Thomas / Jones / Wenn

Those opposed to the spill but voted to advance their career: Eric Ripper.

Lawrence, Hallahan and Halden are still anxious to get rid of Joe Berinson – mixed motives: Lawrence because Joe consistently challenges her decision making process; Hallahan because she wants to be Leader; Halden because he wants to be Deputy Leader in the Council.

I thought it important to read out that letter because it has been referred to a number of times in recent days.

Hon T.G. Butler: While on your feet, would you tell us why two of your members deserted you in the Legislative Assembly tonight?

Hon GEORGE CASH: This letter clearly indicates that there are a number of honourable members in the Labor Party. There is no question of that. It also indicates that there are a number of devious and deceitful members who are prepared to stop at nothing to knock off their colleagues holding ministerial positions so that they might gain those positions themselves. I am sure members will recognise whether they fit into the category of honourable members or into other categories.

The instability that has been demonstrated by the State Labor Party in recent times has not assisted the business environment which is already extremely difficult for people trying to continue to offer employment to many people. I hope that the Australian Labor Party is able to pull itself together rather than disintegrate. I hope that it can get on with some of the positive initiatives clearly necessary if we are to lead this State out of the current recession. I hope also that the comments that I have made regarding the rural crisis will be taken as positive comments following my recent visit to the wheatbelt. It was not my first visit to those areas and not my first insight into the difficulties of rural Western Australia but it certainly demonstrated that the situation has become dramatically worse in a few short months. It is up to the Parliament to work together in a bipartisan way in an attempt to solve these problems.

Turning to India, I have indicated that tremendous opportunities are available for Western Australia to strengthen its trade ties with that country. India has a population of 850 million

and represents a tremendous market to penetrate. The greatest problem we face in strengthening those trade ties is our lack of awareness of what India can offer, together with the lack of awareness that India has of Australia. It is unlikely that we will be able to sign any multi million dollar deals tomorrow. It will take us a fair while to penetrate that market but it will be worthwhile, given the numbers, as long as we are prepared to be patient and to consistently attack the challenge before us.

Tamala Park, the Mindarie refuse disposal site in the northern metropolitan area, represents a time bomb which will go off in due course. The site will pollute the water table in the area and that is an issue about which the Parliament should be concerned.

I will say no more about the Labor Party instability, except that the Liberal and National Parties are working together in a positive way. The Liberal and National team has a vision for the future of this State. We look forward to the next election, whenever that may be, when the Liberal and National Party team forms the Government. We will take the positive and necessary steps to pull Western Australia out of its economic plight.

Debate adjourned, on motion by Hon J.N. Caldwell.

### ADJOURNMENT OF THE HOUSE – ORDINARY

HON J.M. BERINSON (North Metropolitan – Leader of the House) [10.53 pm]: I move –  
That the House do now adjourn.

#### *Adjournment Debate – Telecom – Operations Centralisation, South West Job Loss*

HON DOUG WENN (South West) [10.54 pm]: I apologise to the House for the delay but I wish to raise an important matter affecting the South West region. I am sure that all members from the region will support me on this issue. Recently I was contacted by an individual about the continuation of the centralisation of Telecom's operations. Action is being taken in Bunbury to remove the switchboard operators from the manual assistance centre which will result in a loss of eight employees from the area by the year 1993–94. These people have been offered relocation, redeployment or redundancy. All these employees have husbands and families in Bunbury or around the south west and it would be impossible for these people to accept relocation. I do not know whether retraining or relocation within Telecom has been offered; it is not feasible. However, this is a specific trade and these women cannot be assisted other than by a redundancy package. An article on the problem appeared in the *South West Times* indicating that the matter would become a big issue. Prior to coming to Parliament, I had 14 years' experience with Telecom and the situation brings home to me the incompetence of its management. The way the management has handled the staff situation is atrocious. Telecom is losing staff left, right and centre; staff move to private enterprise because they cannot put up with such inefficiency and the way that Telecom treats them. For example, I was President of the Australian Telecom Employees Association for three years. During that time we attempted to obtain our Telecom vehicles through local dealers. We were promptly told that this was not on because some little fellow in Sydney, building his own empire, was determined that no vehicle would be issued except out of his office. That was the situation six years ago. I have no doubt that many more people will be taken out of Telecom's structure in the South West Region.

How will the line crews work? Will a maintenance crew be provided in the district, and will the major crews be sent from Perth? That already happens in some of the long line assemblies. The spokesman for Telecom, Mr Ashley Zanotti, made the point in the newspaper article that calls would be handled from another centre, probably in Perth. I emphasise the word "probably". If the rumours of six years ago are anything to go by the calls will not be handled in Perth, they will come out of Sydney and Melbourne because that is Telecom's attitude regarding centralisation. Telecom does not care about country areas, or the personal contact the switchboard operators have with local people, or the local input over the years. The article in the newspaper indicates that people have gone to Forrest MHR, Geoff Prosser. I am very disappointed with Mr Prosser and I will be taking up the matter with him. The final paragraph of the Press release reads –

Mr Prosser said while country people should be concerned about job losses, Australia could not afford to have inefficient businesses like Telecom.

Only last week, Telecom announced that it was rather frightened by the new system which will allow the entry of overseas companies to the marketplace. I could not believe that Telecom, having been in the industry for so long and recognised around the world as possessing the best technology, could make the statement that it is not ready to compete in the open market. When one hears that sort of statement one can understand the incompetence of the people who control the industry. Telecom is continuing to deliberately centralise its operations. I will be taking up the matter with the ATEA and with the Telephone and Phonogram Officers Association in an attempt to stop the drain of people from country areas to the major cities.

Hon Barry House: That is exactly what we said three years ago during my by-election campaign. Moves were on at that stage to gut the Telecom services.

Hon DOUG WENN: That has been done. I recall that three years ago Telecom removed the engineering department from Bunbury. The department was re-established in Perth; however Telecom did not retain half the staff. Thankfully the people concerned possessed the ability to go to NEC and similar companies and earn a living, which they could not do with Telecom. They were not given the assistance they should have been given. If the situation continues, the problem will apply not only in country Western Australia. Eventually Telecom's operations will be centralised in the Eastern States.

Question put and passed.

*House adjourned at 10.59 pm*

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## QUESTIONS ON NOTICE

### JUVENILE OFFENDERS – ADMISSIONS OR CONFESSIONS

#### *Legislation Amendments*

1. Hon GEORGE CASH to the Attorney General:

- (1) Is it intended to amend the current law in respect of the admissions and/or confessions of juvenile persons provided to police officers or other persons in authority?
- (2) If so, will the Minister provide details?

Hon J.M. BERINSON replied:

(1)–(2)

I am not aware of any proposals to this effect.

### ROADS – HENLEY–BRUCE STREETS INTERSECTION, COMO

#### *Road Visibility Complaint*

3. Hon P.G. PENDAL to the Minister for Police representing the Minister for Transport:

- (1) Has the Main Roads Department received a letter (dated 18/2/91) from a Hensman Street, South Perth resident, registering a complaint about poor road visibility due to the placement of a "west bound traffic" sign, at the junction of Henley and Bruce Streets, Como?
- (2) If so, what action is planned to overcome this visibility problem?
- (3) If not, will the Minister undertake to have the visibility at the intersection investigated and action taken to overcome any problem found?

Hon GRAHAM EDWARDS replied:

The Minister for Transport has provided the following response –

(1) Yes.

(2)–(3)

Arrangements are in hand to lower and reposition the sign in question.

## QUESTIONS WITHOUT NOTICE

### LEADER'S ACCOUNT – ATTORNEY GENERAL'S AWARENESS

6. Hon GEORGE CASH to the Attorney General:

- (1) Was the Attorney General aware of the existence of the leader's account prior to its being identified by witnesses to the Royal Commission?
- (2) If so, when did he become aware of the existence and operation of this account?

Hon J.M. BERINSON replied:

(1)–(2)

Frankly I am not sure whether it was ever brought to my attention that there was an account called the "leader's account". It was a matter of general knowledge that fundraising was being actively pursued, and that is as far as my connection with that goes.

### BURKE, MR BRIAN – HARRISON, MR ROSS

#### *"Sunday Times" Defamation Costs – No Government Funding Assurance*

7. Hon PETER FOSS to the Attorney General:

In the light of the statement by Mr Burke that the operations of Mr Smith were funded not by the Government but by the Australian Labor Party, and the statement by Mr Ross Harrison that he was acting not as a Government

servant but in his private capacity, will the Government give an assurance that it will not fund the legal costs of either Mr Burke or Mr Harrison in their action against the *Sunday Times*?

Hon J.M. BERINSON replied:

Hon Peter Foss has me at something of a disadvantage; I am not aware of the action to which he refers. Is it a defamation action?

Hon Peter Foss: Yes.

Hon J.M. BERINSON: The general practice is that members of the Government or members of the Public Service are not assisted with legal costs in any defamation case in which they are the plaintiffs.

**BLOCKADE – FARMERS**  
*Minister for Police, Action Taken*

8. Hon E.J. CHARLTON to the Minister for Police:

Will the Minister advise the House whether he intends to take any action as a consequence of the road block – or whatever terminology he uses – that took place last Friday when the traffic travelling into the city was held up?

Hon GRAHAM EDWARDS replied:

I assume that the member is referring to the review of penalties?

Hon E.J. Charlton: Yes.

Hon GRAHAM EDWARDS: I have taken some action already, and have discussed the matter with the Commissioner of Police. He indicated that he would refer the matter to the Traffic Board of Western Australia for its consideration and advice.

Because of the success of the blockade – if one could call it a success – the Government has no option but to take steps to review the penalties. My understanding is that if people were to be charged they would be charged with obstruction under the provisions of the Traffic Act. It must be understood that because of the success of the blockade and in the light of the low penalties it may well be that another group of farmers or some other group within the community will consider the disruption of traffic into the city to be a very good way of making a point. I do not think we can allow the event to pass without reassessing the penalties and without considering how to make sure that people think twice about taking such action.

The other aspect to be considered, apart from the chaos, disruption and turmoil, is the immobilisation of the emergency services. That is of real concern. If it had been a one-off situation I do not think anyone would have become too excited about it, but when we are confronted with threats that it may occur again and that if anyone is charged in connection with such actions there will be blood on the streets, the matter must be addressed.

**CAR THEFT – JUVENILE OFFENDERS**  
*Penalties Review*

9. Hon P.H. LOCKYER to the Minister for Police:

In the light of the Minister's request to the Traffic Board to review the penalties for people holding up the traffic, I respectfully request that at the same time the police review the penalties for juveniles who steal motor vehicles in and around Perth. If the Government intends to stop farmers from holding up the traffic, perhaps it should also stop juveniles from stealing motor vehicles.

Hon GRAHAM EDWARDS replied:

It is unfortunate that comments such as that are made, particularly since this Parliament last year significantly increased the penalties for car theft.

Even the hardest person who has the slightest knowledge of juvenile crime is



acknowledging that we must address this problem in ways other than by increasing the penalties. The penalty for those involved in the blockade the other day is in the vicinity of a \$25 fine. The penalty facing a person convicted of unauthorised use of a motor vehicle under the Traffic Act is in the vicinity of four years' gaol or a \$2 000 fine. It is a fairly significant penalty. Of course, a person who is convicted under the Criminal Code faces a much higher penalty.

Whether the offence is a juvenile stealing a motor vehicle or a person taking part in a blockade such as occurred on Friday, the common denominator is that both are serious offences and should be treated as such.

#### **WATER CONTAMINATION – MINDARIE TIP SITE, TAMALA PARK** *Independent Assessment Authorisation*

10. Hon REG DAVIES to the Minister for Police representing the Minister for Water Resources:

- (1) Owing to the confusion and conflicting reports relating to the contamination of the water supply associated with the Mindarie regional tip site at Tamala Park, will the Minister authorise an independent assessment by world renowned hydrological experts?
- (2) Will the Minister also ensure that the dumping of rubbish is suspended at that tip until the results of such a report are published?

Hon GRAHAM EDWARDS replied:

(1)-(2)

Were those questions listed to be asked last Thursday?

Hon Reg Davies: No. The questions were sent to your office last Thursday.

Hon GRAHAM EDWARDS: My understanding of the processing of those questions is that they are sent not to my office but to the office of the Minister who is responsible for that area. Those questions should go on notice, and they will be answered. I understood that process had already been entered into, and I apologise.

#### **HARRISON, MR ROSS – LEADER'S ACCOUNT CONNECTION** *Character Description Support*

11. Hon P.G. PENDAL to the Attorney General:

- (1) Does the Attorney General recall his spirited defence last year of Mr Ross Harrison, a senior civil servant, whom he described in this place as a loyal and professional officer?
- (2) Is he aware of Mr Harrison's connection with the so called leader's account?
- (3) Does he stand by today the description which he gave last year of Mr Harrison?

Hon J.M. BERINSON replied:

(1), (3)

Given the range of matters with which I am asked to deal, I cannot say that I recall the particular spirited defence which has been referred to. Nonetheless, if I used the terms loyal and professional in respect of Mr Harrison, I believe that those words were well chosen, and that answers the third question as well.

- (2) No, but I take the general opportunity given by this question to indicate that I believe that, where matters are presented to the Royal Commission, it is better that they be pursued by the commission, with its acknowledged impartiality and independence, and without the political colouring which questions about the same matters would inevitably add were questions of this kind to be proceeded with here.

UNIVERSITIES - GERALDTON  
*Leader of the Opposition's Promise*

12. Hon TOM STEPHENS to the Minister for Education:

Can the Minister confirm that the Leader of the Opposition is all but promising a university for Geraldton in his desperation to win the Geraldton by-election?

Hon KAY HALLAHAN replied:

There was an extraordinary story in *The Geraldton Guardian* on Friday, 15 March. Hon Phil Pental will not be thanked by the people of Geraldton if his party continues to make promises which it cannot keep. To promise something which cannot be delivered is really a cruel hoax to perpetrate on people who want to see opportunities expanded for their young people. The Leader of the Opposition is in no position to deliver on what he indicated about a university. He cannot compel universities to offer courses.

Hon P.G. Pental: You were beaten to the punch.

Hon KAY HALLAHAN: We hear from the Opposition some inane interjections. That just shows the lack of understanding that members opposite have about the education system in this State, and, indeed, the opportunism –

Hon P.G. Pental: Be honest! You were going to go up there this week to make the same announcement but you were caught out the week before!

Hon KAY HALLAHAN: I went to Geraldton last week. I had no intention of going there this week. Once again Hon Phil Pental is telling untruths and is misleading the public, and particularly the people of Geraldton, who will cop a whole wallop of it from the Opposition in the next couple of weeks.

I will outline for members what is actually taking place because it will provide a backdrop to the question of higher education in regional Western Australia. A review is being conducted of educational needs across regional and remote areas of the State. That review will result in a comprehensive and systematic approach to this question, rather than an ad hoc approach, which I do not understand members opposite defending, except that they have to defend their leader because of the crazy statement he made last week.

Hon P.G. Pental: That he would bring tertiary education to Geraldton, and pull out the rug from under you.

Hon KAY HALLAHAN: That was an interesting interjection. I can tell Hon Phil Pental that since 1985 the Geraldton TAFE College has been offering university level courses. They are not offered through to completion because of the lack of viability of those courses. I would like to know how the Leader of the Opposition thinks he will make them viable. The college offers a first year Bachelor of Business degree, nurse education units, and Murdoch University common core units. The problem with higher education and the choices which it provides is that – contrary to the claims of the Leader of the Opposition – it really is quite an undertaking because the Bachelor of Business degree, for example, has 14 subject parts from which students can choose after completing their first year of study, and their choice depends on their preferred major. The statements by the Leader of the Opposition and by Hon Phil Pental in his interjections today indicate an absolute lack of knowledge about the options.

Hon P.G. Pental: You do not care about Geraldton. You showed that by the way you stabbed Jeff Carr in the back.

Hon KAY HALLAHAN: Two other things need to be said. The newspaper headline which appeared last week was that the Liberals planned to offer university degrees at TAFE, but today's headline is that the Liberal's university plan is a cruel hoax. Contrary to what was claimed by the Leader of the Opposition, it is not necessary for students to leave Geraldton to complete their courses to

full degree status. They can transfer to external student status at the university. So again the Leader of the Opposition did not take an opportunity to provide information to people.

In respect of the Leader of the Opposition's line about the satellite, the Opposition was again well behind the times because that has now been in place in TAFE for eight months, and the satellite dish actually arrived in Geraldton last week. A pilot scheme will be run in Geraldton for two weeks, commencing this week, so the Leader of the Opposition was promising something which the Government already has well in hand. That indicates the lack of information and the lack of real concern which the Opposition is displaying for the people of Geraldton.

Hon E.J. Charlton: You should tell them they can have it straight after Notre Dame!

Hon KAY HALLAHAN: I will certainly tell the people of Geraldton that their needs will be fully considered in the review that is being conducted, which will provide for them in a way that they can count on, and not in a way that will further disillusion them about the Opposition parties.

#### LEADER'S ACCOUNT – MINISTER FOR EDUCATION'S AWARENESS

13. Hon GEORGE CASH to the Minister for Education:

Was the Minister aware of the existence of the leader's account prior to its being identified by witnesses to the Royal Commission; and, if so, when did she become aware of the existence and operation of that account?

Hon KAY HALLAHAN replied:

I became aware of the leader's account from the media reports that have been referred to.

#### EDUCATION ALLOWANCES – FAMILY ALLOWANCES

##### *School Students Exclusion*

14. Hon BARRY HOUSE to the Minister for Education:

Can the Minister explain why the Government has excluded approximately one third of the State's school students, numbering about 100 000 students, from receiving the education allowances of \$100 for secondary students and \$50 for primary students through means testing those allowances by relating them to families which receive family allowances?

Hon KAY HALLAHAN replied:

This year the allowance to which the member refers has been made available to those families which are eligible for family allowances. We know that members of the Opposition always want to give money to their moneyed friends. That is their ethos and tradition. Families which have an income of \$62 000 and one child remain eligible for this allowance – and the income can be higher for more children – before they are phased out of eligibility for family allowances and, therefore, this education allowance. If people can say to me that is not making the allowance broadly available to families in Western Australia I would be interested to hear their rationale. Since I have had this portfolio I have received letters from people who say they are on comfortable incomes and ask why the Government continues to make this allowance available to them.

Several members interjected.

Hon KAY HALLAHAN: They are very sensible. People on comfortable incomes can understand the logic involved. If Hon Barry House wishes to say that the wealthy people in the community will continue to receive allowances which they do not need, he can do so. Be that on his head when the community does not understand his position.

# SCHOOLS – URGENT MAINTENANCE INSTRUCTION

15. Hon P.H. LOCKYER to the Minister for Education:

- (1) Will the Minister confirm that an instruction has been issued to school principals stating that only very urgent maintenance will be undertaken in schools?
- (2) If so, will the Minister table the instruction as soon as convenient?
- (3) Is it the intention of the Minister to continue with such an instruction even though some schools in this State are falling down?

Hon KAY HALLAHAN replied:

(1)–(3)

This matter was raised by Hon Eric Charlton recently in a more responsible and sensible way than this question. The answer then and now remains the same: Committed minor and capital works will be carried through to completion. Urgent work involving the safety or security of students and staff will be carried out, as I stated last week. I do not know whether such an instruction has been issued; it may have been.

Hon George Cash: Does such an instruction exist?

Hon KAY HALLAHAN: I do not know. I have outlined the present policy. All work will be done.

Hon P.H. Lockyer: I have offered the Minister the opportunity to table the instruction. I could table the copy that I have.

Hon KAY HALLAHAN: If the member possesses a copy, why not table it? Is this a game?

Hon P.H. Lockyer: I am offering the Minister the opportunity to deny its existence.

Hon J.M. Berinson: The member wants the Minister to deny the existence of something that he has.

Hon KAY HALLAHAN: Silly boy!

# AGRICULTURAL IMPLEMENTS – TOWING REGULATIONS *Changes Undertaking*

16. Hon MURRAY MONTGOMERY to the Minister for Police:

Late in the last session the Minister gave an undertaking to reconsider changes to the Towed Agricultural Implements Regulations. Have those changes been effected? If not, when is consideration of the regulations to be undertaken? Is it proposed to vary the regulations as gazetted on 21 December? If not, why not?

Hon GRAHAM EDWARDS replied:

The undertaking stands. It has been carried out.

Hon D.J. Wordsworth: Can the Minister tell us what it was?

Hon GRAHAM EDWARDS: Not word for word. A member such as Hon D.J. Wordsworth may question the wording I use now. I refer to the spirit of the commitment given in this House. That is what Hon Murray Montgomery seeks. Should Hon D.J. Wordsworth seek other information he should ask a question. The undertaking has been fulfilled. Representatives of the WA Farmers Federation have met with officers of my department and my office. The work has been undertaken and should be almost complete, if not complete. The commitments regarding the variation to the regulations have been attended to.

Hon D.J. Wordsworth: When will the regulations be put into effect?

Hon GRAHAM EDWARDS: As soon as possible.

**UNLAWFUL USE OF MOTOR VEHICLES – CRIMINAL CODE**  
*Amendments Proclamation*

17. Hon DERRICK TOMLINSON to the Attorney General:

In answer to an earlier question the Minister for Police indicated that the penalties for the unlawful use of a motor vehicle had been increased as a result of amendments last year to the Criminal Code. Have those amendments enacted by this Parliament in 1990 been proclaimed?

Hon J.M. BERINSON replied:

I ask the honourable member to place the question on notice. I think that the last batch of Criminal Code amendments have been proclaimed but there are so many documents of this nature which come to attention I would not like to be held to that.

If the honourable member places the question on notice I will get an answer promptly.

**UNIVERSITIES – EDITH COWAN UNIVERSITY**  
*Guild Non-membership – Library Use Disallowance*

18. Hon N.F. MOORE to the Minister for Education:

- (1) Is it a fact that students at the Edith Cowan University who do not join the student guild are not permitted to use the university library?
- (2) If so, bearing in mind that the library is not a guild-provided service, will the Minister ensure that this practice is terminated?

Hon KAY HALLAHAN replied:

(1)–(2)

The honourable member should place the question on notice.

**ROYAL COMMISSION – TERMS OF REFERENCE EXTENSION**  
*Swan Brewery Site – Sale and Repurchase*

19. Hon DERRICK TOMLINSON to the Attorney General:

In the light of the interesting revelations about the roles of Mr Laurie Connell, Mr Yosse Goldberg, and a Minister of the Crown in the deals regarding the purchase of the Fremantle Gas and Coke Company and the known involvement of at least two of those persons in the purchase, sale and repurchase by the Government of the Swan Brewery site and buildings, is the Government considering extending the terms of reference of the Royal Commission to enable it to investigate the Swan Brewery site deals?

Hon J.M. BERINSON replied:

Not to my knowledge.

**SCHOOLS – MAINTENANCE**  
*Funding Reinstatement Guarantee*

20. Hon P.G. PENDAL to the Minister for Education:

Further to the question asked by Hon Philip Lockyer, will the Minister give a guarantee to reinstate funding for school maintenance to the previous level adequate to start clearing the huge backlog of work and to prevent further deterioration in metropolitan and country schools?

Hon KAY HALLAHAN replied:

As a result of the Estimates Committees process and the education members received regarding the Budget preparation, members will appreciate that the matter will be given full consideration during Budget preparations for the forthcoming financial year.

**SWAN BREWERY SITE – GOVERNMENT PLANS**

21. Hon REG DAVIES to the Minister for Education representing the Minister for Planning:

Some notice has been given of the question.

- (1) What are the Government's current plans for the Swan Brewery site?
- (2) What is the estimated completion date of any proposed plans?
- (3) Will the Minister please provide detailed and comprehensive costing of the Swan Brewery including the original purchase price and the costs up to and including today's date?

Hon KAY HALLAHAN replied:

The Minister for Planning has provided the following reply –

- (1) The Government's plans for the Swan Brewery site remain those announced by the Premier on 25 November 1990 – the conservation and restoration of the 1897–1933 brewery buildings.
- (2) Further consultation with Aboriginal people is required following the Supreme Court's decision of December 1990. The Minister for Aboriginal Affairs is currently pursuing discussions with relevant Aboriginal people.
- (3) To 28 February 1991, total expenditure by the Western Australia Government on the Swan Brewery project amounted to \$12 962 496 million, being –

Site Purchase	\$5 000 000
Development Expenditure 1988/89	\$5 452 358
Development Expenditure 1989/90	\$1 964 056
Development Expenditure 1990/91	\$ 546 082

**SWAN BREWERY SITE – BUILDING DEMOLITION PLANS**

22. Hon E.J. CHARLTON to the Minister for Education:

In view of the Minister's last reply, will the Government now demolish the building and bury the memory of what has taken place?

Hon KAY HALLAHAN replied:

If members have questions about the old Swan Brewery I suggest they put them on notice and I will seek the information from the Minister for Planning, who is the responsible Minister.

**EDUCATION – SECONDARY EDUCATION AUTHORITY CERTIFICATES***Inaccuracy Complaints*

23. Hon BARRY HOUSE to the Minister for Education:

Is the Minister aware of complaints about widespread inaccuracies in this year's SEA certificates where units were not accredited or were recorded incorrectly? If so, what has been done to ensure it does not happen again?

Hon KAY HALLAHAN replied:

In the interests of accuracy, I suggest the member put his question on notice.

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