

Legislative Assembly

Wednesday, 27 September 1989

THE SPEAKER (Mr Barnett) took the Chair at 2.15 pm, and read prayers.

PETITION - TRAFFIC ACCIDENTS

Youth Death Rate Concern - Blood Alcohol Content, Act Amendment

DR WATSON (Kenwick) [2.18 pm]: I have a petition in the following terms -

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

We, the Upper School students of Maddington SHS are concerned with the high road traffic accident death rate of youth in the 17-24 year age group.

We request that Section 64(1) of Road Traffic Act 1974 be amended to lower the percentage of alcohol in blood from 0.08 to 0.05 per centum.

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

The petition bears 49 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 50.]

PETITION - TRAFFIC ACCIDENTS

Youth Death Rate Concern - Blood Alcohol Content, Act Amendment

DR GALLOP (Victoria Park) [2.20 pm]: I have a petition in the following terms -

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

We, the Upper School students of St Joachim's SHS are concerned with the high road traffic accident death rate of youth in the 17-24 year age group.

We request that Section 64(1) of Road Traffic Act 1974 be amended to lower the percentage of alcohol in blood from 0.08 to 0.05 per centum.

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

The petition bears 37 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 51.]

PETITION - TRAFFIC ACCIDENTS

Youth Death Rate Concern - Blood Alcohol Content, Act Amendment

MR GORDON HILL (Helena - Minister for Regional Development) [2.21 pm]: I have a petition in the following terms -

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

We, the Upper School students of Forrestfield SHS are concerned with the high road traffic accident death rate of youth in the 17-24 year age group.

We request that Section 64(1) of Road Traffic Act 1974 be amended to lower the percentage of alcohol in blood from 0.08 to 0.05 per centum.

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

The petition bears 57 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 52.]

Similar petitions were presented by Mrs Beggs (eight persons and 71 persons), Mr Pearce (19 persons), Mr Bridge (13 persons) and Mr D.L. Smith (23 persons and 17 persons).

[See petitions Nos 53, 54, and 56 to 59.]

PETITION - DAIRY PRODUCTION

Kerin Levy - Repeal Request

MR BLAIKIE (Vasse) [2.23 pm]: I have a petition in the following terms -

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

We, the undersigned, request the State Government to appeal to the Commonwealth Government to repeal the Kerin levy on all Dairy production as its application is costing each of the State's dairy producers over \$8,000 per year on average to subsidise Victorian and Tasmanian counterparts.

We believe the monies saved would advantage WA Dairy producers in putting them in a stronger financial position and the current levy imposition has not only failed but WA has seen a significant increase in Victorian manufactured products entering the WA market place and subsidised by WA Dairy farmers.

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

The petition bears 254 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 55.]

PUBLIC ACCOUNTS AND EXPENDITURE REVIEW COMMITTEE

Report

On motion by Dr Gallop, resolved -

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

[See paper No 447.]

On further motion by Dr Gallop, resolved -

That the minutes of proceedings of the committee be tabled.

[See paper No 448.]

BILLS (6) - INTRODUCTION AND FIRST READING

1. Stamp Amendment Bill (No 3)
2. Stamp Amendment Bill (No 4)
Bills introduced, on motions by Mr Parker (Treasurer), and read a first time.
3. Construction Industry Portable Paid Long Service Leave Amendment Bill
Bill introduced, on motion by Mr Troy (Minister for Labour), and read a first time.
4. Wheat Marketing Bill
Bill introduced, on motion by Mr Bridge (Minister for Agriculture), and read a first time.
5. Fisheries Amendment Bill (No 2)
Bill introduced, on motion by Mr Gordon Hill (Minister for Fisheries), and read a first time.

6. **Travel Agents Amendment Bill**

Bill introduced, on motion by Mrs Henderson (Minister for Consumer Affairs), and read a first time.

CONVICTED INEBRIATES' REHABILITATION REPEAL BILL

Second Reading

MR D.L. SMITH (Mitchell - Minister for Justice) [2.32 pm]: I move -

That the Bill be now read a second time.

The Convicted Inebriates' Rehabilitation Act and consequential amending legislation was proclaimed on 1 July 1966. Amendments in the Prisons Act of 1903 relating to the establishment of institutions for convicted inebriates were repealed in August 1982. However, prior to its repeal no institutions were ever established under that Act.

The Convicted Inebriates' Rehabilitation Act reflected a belief that alcoholics may be reformed by detention and forced programs. This belief is no longer supported by experts in this area and, indeed, the Convicted Inebriates' Rehabilitation Act has long since fallen into disuse. On the other hand, offenders who have been fined for an offence of which alcohol was an element may be diverted from serving default imprisonment to a community corrections centre order which may include, as a component, an alcohol awareness and development program. Alcohol abuse programs are also being implemented within the prisons system itself.

The purpose of this Bill is to repeal both the Convicted Inebriates' Rehabilitation Act and the consequential amendments that were made in the Acts Amendment (Mental Health) Act 1981. I commend the Bill to the House.

Debate adjourned, on motion by Mr Hassell.

PRISONERS (RELEASE FOR DEPORTATION) BILL

Second Reading

MR D.L. SMITH (Mitchell - Minister for Justice) [2.33 pm]: I move -

That the Bill be now read a second time.

As members may be aware, where a prisoner is eligible for parole but the Federal Minister for Immigration has issued an order for the prisoner's deportation, the Parole Board considers that it has no power to order the prisoner's release from custody on parole. This is, of course, consistent with the intention that parole is a part of the prisoner's sentence, which may be served in the community under supervision and at the risk that, if the prisoner breaches that parole, he or she may be returned to prison to serve the balance of the sentence.

Currently a prisoner subject to a deportation order, though otherwise eligible for parole, must remain in custody. The only mechanism for release after the parole eligibility date of prisoners subject to deportation is for the Governor in Executive Council to exercise the Royal Prerogative and remit the balance of the sentence in conjunction with the enforcement of the deportation order. It has long been contended that this practice is unsatisfactory because, even though after remittal of the prisoner's sentence the prisoner remains in the custody of the responsible department, there may be cases where the prisoner is not deported as a result of a last minute successful appeal by the deportee against the deportation order.

There are, however, factors which favour release of these prisoners for deportation after completion of their intended custodial terms. These include more effective management of prisoners resulting from the incentive for good behaviour and, of course, the savings in not having to maintain such prisoners for the whole of their sentences, which had not been the intention of the sentencing court. A mechanism which does not require recourse to the Royal Prerogative and which ensures the prisoner's return to custody if deportation is not carried out is provided.

The Bill provides that where a deportation order is made in respect of a prisoner who is eligible for release on parole and where parole has been denied by the Parole Board, the Governor may by order in writing after that date direct that the prisoner be released from

prison into the custody of a person or persons specified in the order for the purpose of deportation. In relation to prisoners who are subject to indeterminate sentences, the Bill provides that the order for release may be made only if the Minister requests a report from the Parole Board on the matter and then makes a recommendation to the Governor. An order for the release of the prisoner may be varied or revoked by the Governor in circumstances where the deportation of the prisoner has not been effected within the period specified in the order, or the deportation order is revoked. In such cases the Bill provides that the prisoner is to be returned to prison. A judge or a District Court judge may by warrant authorise a member of the Police Force to apprehend the prisoner if this is necessary.

The Bill also provides for the non-interruption of sentence when prisoners are returned to custody. Any recommendations or decision under the Bill should be on the basis of granting a privilege and not a right. Accordingly, the Bill provides for the exercise of absolute unfettered discretion by the exclusion of the rules of natural justice.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Hassell.

LAND TAX ASSESSMENT AMENDMENT BILL

Second Reading

MR PARKER (Fremantle - Treasurer) [2.37 pm]: I move -

That the Bill be now read a second time.

The Bill proposes two amendments to the Land Tax Assessment Act. The first will extend the current exemption on owner-occupied residences and the second is to clarify the position of trustees in respect of residential exemption.

Under current provisions an owner who, having acquired a new principal place of residence, is in the process of selling his former residence but still owns both properties at 30 June is entitled to a residential exemption in respect of one property only. A person who owns two residential properties in the circumstances to which I have referred must be assessed for land tax on one of them. The Bill provides for a rebate of the tax assessed in the circumstances. To obtain the rebate a taxpayer will be required to make application to the commissioner within three months of the end of the year to which the assessment relates. The rebate will apply only where neither of the two properties has been rented out, both have been used as the owner's principal place of residence and the former residence was sold within the tax year to which the assessment relates. This concession will apply in respect of 1989-90 and future assessments.

The Bill also makes it clear that the occupation of trust residential property by a trustee or the shareholders of a trustee company does not give rise to an entitlement to land tax exemption. Although the Act has always been administered by the commissioner according to this principle, there have been a number of recent challenges to his interpretation. This amendment will put the matter beyond doubt. I commend the Bill to the House.

Debate adjourned, on motion by Mr Court (Deputy Leader of the Opposition).

TAXATION (RECIPROCAL POWERS) BILL

Second Reading

MR PARKER (Fremantle - Treasurer) [2.40 pm]: I move -

That the Bill be now read a second time.

This Bill follows extensive consultation between officers of the taxation authorities of all States and the Territories, and the Commonwealth Taxation Office. Its purpose is to allow State and Territory taxation authorities to undertake investigations outside their own boundaries, and to enable State and Territory taxation authorities to conduct investigations on behalf of taxation authorities of other States. State and Territory taxation authorities already have wide investigative powers, including certain powers of entry, search and seizure, but they have no power beyond that of any citizen to carry out investigations outside the jurisdiction of their own States. Neither is the taxation authority of one State able to

exercise its own statutory investigation powers for the purpose of the taxation laws of another State.

In current conditions, documents and records which relate to State taxation issues are not always held in the State to which they relate. Investigations by our own State Taxation Department have occasionally been frustrated because important information has been located outside Western Australia. With the exception of Tasmania, the other States and Territories have already enacted new legislation to provide reciprocal investigation powers in accordance with the scheme settled between all the States and the Territories. One of the features of the scheme is that investigation powers may be extended by one State only to those other States which have similar legislation. Unless this Bill is passed, therefore, Western Australia will not be able to take advantage of the legislation which has already been passed in the other States and Territories. This Bill is based on the scheme which was settled between the States and Territories and, accordingly, is complementary to the legislation which has already been enacted in the other jurisdictions.

The provisions in the Bill are based on the following principles -

They will apply only to those States or Territories which themselves have enacted similar legislation.

The Commissioner of State Taxation in Western Australia may give approval for another State or Territory which has similar legislation to conduct an investigation in Western Australia subject to such conditions as he may impose or, alternatively, he may carry out an investigation on behalf of the other State or Territory.

An investigation officer from another State or Territory taxation authority, and the Western Australian Commissioner of State Taxation, will be authorised to exercise only those investigation powers which are expressed in the Bill. These powers are in keeping with those presently specified in the various Western Australian taxing Statutes.

Information obtained by the Western Australian Commissioner of State Taxation under the provisions of this Bill or the provisions of any State taxation Act may be conveyed to the Commonwealth Taxation Office or to the taxation authority of any State or Territory. In the interests of orderly legislation, the common provisions in respect of the disclosure of taxation information, which are presently contained in existing State taxation Acts, are being transferred to this legislation.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Court (Deputy Leader of the Opposition).

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Second Reading - Budget Debate

Debate resumed from 26 September.

MR CLARKO (Marmion) [2.45 pm]: In my usual style of giving credit where credit is due, I compliment the Government on its organisation of the IULA Congress - that is, the International Union of Local Authorities - which was recently held in Australia for the first time in its history. That body has an involvement with local government in probably every continent of the world as observers from Russia were at this year's congress. I compliment the Government upon its organisation and financial support given to the congress. I praise Hon Kay Hallahan for the way she organised the congress as chairman of the organising committee, and the way in which she addressed the congress from time to time and her great personal warmth in the way she received congress members, including me. I say that in all seriousness as it was a tremendous effort by the Minister. I hope the Leader of the House will convey those feelings to her.

The former President of the Country Shire Councils Association of Western Australia, Richie Maslen, was responsible for persuading the delegation at Rome, I believe, a couple of years ago to choose Perth for the next congress. One of the people I met at the congress was Vern Weaver who had been, until a month before the congress, the President of the Victorian Shire of Melton. I invited him to visit my home with the new shire president and offered to take

him around Perth when the congress was over. He told me that he had to get back early because he was not able to fly here due to the pilots' strike and came here by shire car. On Thursday I came back to Parliament for most of the day and attended the congress in the evening. I received a package of material dealing with the Shire of Melton concerning the facilities provided and its history; it also stated that he and the president appreciated my company and would like me to visit them when I was next in Victoria. The next day in the newspaper I read that Mr Weaver was dead; the car he was driving had turned over on the Nullarbor Plain. He was a very fine gentleman. I know the Minister sent a note to the relatives of Councillor Weaver - so did I. Sadly, this kind of thing is part of a congress of this sort.

The congress was a brilliant one in my view and the topics dealt with were of great interest. The problem was that so many good items were on at the same time that one could not attend all of them. The congress was held at three locations, which were the Hyatt Hotel, the Langley Plaza and the Sheraton Hotel. Therefore, it was impossible to be in three places at once so one tried to pick the subjects of most interest. The people who attended the congress praised its organisation and Perth itself. I did not meet a single member who did not express great praise for beautiful Perth. I do not think they were merely being polite, as they genuinely believed so.

I take this opportunity to speak about maintaining Perth as a beautiful place to live in. I am very much against recent propositions to reduce the size of house lots in Western Australia; I have previously called this the sardine philosophy, and I have heard it referred to as the sandal and socks philosophy. In other words, this is a philosophy espoused by foreigners because no people from Perth would wear sandals and socks. These people are trying to impose their philosophy and crowd us together. Home grown sandgropers, such as myself, are very much against the proposition advocating smaller lots for the people of Perth and increasing our urban density.

In December 1987 a report called "Planning for the Future of the Perth Metropolitan Area" was released. It was a very interesting document but I do not know whether the Leader of the House, the then Minister for Planning, officially adopted the report.

Mr Pearce: Is that the corridor review report?

Mr CLARKO: Yes.

Mr Pearce: It was adopted in principle by Cabinet, but it was never formally adopted in an absolute sense as it was always meant to be a guide for amendments to the metropolitan region scheme, which would then be adopted in principle.

Mr CLARKO: I am not critical of the Leader of the House for taking that course, but within the report there are many things I am strongly opposed to such as the smaller house lots for Perth. I find it most audacious that the report states that residents of particular suburbs should have higher density forced upon them by legislation, even though many people will object. The report states that this will be overcome by a program of public education - which is really propaganda. I find reprehensible in the extreme - as one of my colleagues would say - the idea that, if one opposes the scheme, one has to lump it. That is not the proper way to plan Perth.

When I hear that the Government has adopted it in principle, I wonder whether others think it has been adopted in fact. In fact, various Government departments are going ahead thinking that it was embraced by the Government of the day. This matter was addressed recently by an excellent feature article in the *Sunday Times* written by a journalist named Chris Manley. In that report he says that the Government has embarked on a campaign to sell the merits of small lot development arguing it does not mean a reduction in the standard of living.

I believe that, if this small lot philosophy is embraced for Perth as a whole, it will reduce our standard of living. It is possible to have small lots within the Perth metropolitan area. Some places are most suitable to the development of small lots. People who have stacks of money in certain of our more exclusive suburbs could develop small lots and cover many of the objectives of people who want to have fine homes. If one has plenty of money, one can build walls for privacy and provide the same sort of protection for oneself as one obtains with a larger block.

As I said, some areas lend themselves to smaller blocks. Very often I go past Marlow Street in Wembley, between Salvado Road and Cambridge Streets, in which four discrete houses

have been erected in the backyards of two old houses. There is nothing wrong with that. I recognise that some parts of what I call inner Perth are suitable for that sort of development. However, the report I mentioned a moment ago refers to inner Perth extending to Fremantle and including Mosman Park and Peppermint Grove. According to the plan, those areas should have the highest concentrations of population. I fear the State Planning Authority has accepted the proposition of smaller lots for much of Perth and that attitude should be opposed. Our social lives will be affected by these changes.

Everybody knows that last year, prices for land in Perth rose by approximately 100 per cent. One of the arguments used by the protagonists is that smaller lot developments will reduce these prices. I challenge that. If there is a shortage of land, it is this Government's fault. I am critical of this Government in that it has failed to release sufficient land in recent years to supply people with lots. I have referred to this before. The former Minister for Planning boasted about the 10 000 lots that were released last year. In 1978, the Government released 14 000 lots and this Minister boasts about 10 000 lots. That is absolutely incredible. Our population has grown significantly in that time.

Mr Lewis: What about the statement that, for the next five years, there will be sufficient land available for under \$20 000 for all first home buyers in Western Australia?

Mr CLARKO: Right. I do not want the member to take over, but I believe that in the suburbs of Eucla and the like, that will be correct. It is certainly not true out my way. I bought my block of land in Trigg in 1958 for six hundred and fifty pounds - \$1 300. It is now worth between \$250 000 and \$300 000.

Mr Court: Are you a millionaire?

Mr CLARKO: No, but I wonder how young people can contemplate buying land and building a home with the prices as they are. My block of land was priced at 750 pounds, but I got it for 650 pounds because I paid cash for it. That is a significant investment. I sold my new car to buy it, which was better than allowing the car to rust away.

A Government member interjected.

Mr CLARKO: Burke and Wills went there in those days. However, they would not be able to find a block of land anywhere in Australia today for \$20 000.

A problem with smaller lots is that they will be forced on people with lower incomes and they will be less able to afford to do the sorts of things on smaller lots that wealthy people can do. I drove through Floreat Park today. The lots there are not small but they have stacks of privacy because of the way walls, trees and other techniques have been used to give their owners privacy. Privacy is a significant problem. When I was a councillor of the City of Stirling, that council was the only council in the metropolitan area that insisted on duplexes being constructed with double brick walls to protect the privacy of the people living in them. The debate on that condition and some of the details of the reasons for the council's making that decision make enlightening reading.

In order to maximise the number of lots, some developers are cutting the blocks into irregular shapes, like pieces of cake. In addition, the developers, mainly Government developers, are planning more narrow roads so that the fronts of houses are closer to each other. I repeat that, if people support smaller blocks and have the money to put quality housing on them, I would not oppose them. However, I would object to that sort of development being encouraged for suburb after suburb because that would change the face of Perth.

I find the proposition that smaller lots are being developed for economic reasons extremely unacceptable. The State Housing Commission in the past has a lot to answer for. Some of the flats developments and high rise buildings in Balga and Nollamara are dreadful. These developments also have social problems associated with them because people are less able to protect themselves in them. They compare with pictures I have seen of suburbs of Moscow. I have travelled by train from Washington to New York and in London where blocks of flats have been built beside the railway lines. That is an unfortunate way for people to live. I do not believe that, just because the public purse has been squeezed in recent years, we have to go to this extent to try to save money.

This is not something new. I live at Trigg. A fair bit of Trigg was subdivided in the first decade of this century and called Bondi Heights. Equally imaginative names were given to the streets because they were called First Street and Second Street through to Sixth Street.

Mr Pearce: The same guy must have designed the subdivisions in Armadale.

Mr CLARKO: Right. Those blocks were 40 feet wide.

Mr Shave: You capitalists are spoilt.

Mr CLARKO: Right. When I bought my block which is 56 feet wide and adjacent to these subdivisions -

Mr Pearce: We won't speculate why you needed such a wide block.

Mr CLARKO: In those days I did not. My father told me it was a pity that I did not have a 66 foot wide block because that was the normal width of blocks in those days.

Mr Lewis: One chain.

Mr CLARKO: Thank you, Mr surveyor. That gave everybody the opportunity to develop their lots. I resent this movement towards urban containment and I am sure that the first thing any typical young family with two or three children living in a flat would want is to get into a house with a garden and some sand to stand on. Over the years there has been a move towards lower ceiling heights. My present home has been extended twice and each time the builders wanted to lower the height of the ceiling. When the first extension was carried out the ceiling was lowered by one foot; however, when the second extension was done I insisted that the ceiling height be returned to its previous height of 10 feet. I was told that it would cost \$2 000 or more extra to do that, and I was happy to pay that amount. I remember that the ceiling height in my family home in Cottesloe was 12 feet.

The rooms in houses are getting smaller and smaller, and many new homes being bought by young families have so-called open areas. I would hate to live in such a home with young children, perhaps two years, four years and six years old. All activities such as watching television, answering the telephone, reading newspapers etc would take place in one room. There would also be the problem of papers and clothes being dropped by members of the family. That situation has been forced more and more on people as the price of housing increases. The design of these homes is not as good as the design of houses built in suburbs such as Cottesloe many years ago, which had more and bigger sized rooms. Of course, such houses cannot be built today on the smaller blocks. I believe that the breakdown in family life is encouraged when people are living in environments which do not allow for individual privacy. They are living too close to each other. Smaller backyards are also part of this problem. I regard my backyard as my personal oasis. I understand the Deputy Leader of the Opposition calls his backyard his vegetable garden.

Mr Court: It is my farm.

Mr CLARKO: That is a much more expansive term. When I lived in Cottesloe, because it pleased me to grow vegetables I had an extensive vegetable garden which took up half the backyard. All sorts of activities took place in that backyard. I do not know whether members watch the popular television program "Burke's Backyard" which appears every Friday night, but Burke recently said that backyards in Australia have more significance than those in any other country in the Western world. They are bigger and are used for a much greater variety of purposes. I do not know whether that is true.

Mr Thomas: Not everyone needs a backyard.

Mr CLARKO: I have already said twice that I support smaller lots in certain circumstances, such as when there is plenty of money, the construction is of good quality, and the development fits in with the area. I am not opposed to the development of smaller lots in all cases. My opposition is to Perth moving to a new standard for housing lots. In my father's day the standard housing block was one quarter of an acre; it later became one fifth of an acre, and now an acceptable size is 700 square metres. Reference has now been made by Barry Carbon of the Environmental Protection Authority to blocks of 350 square metres. I am very much against that size becoming the norm for the average housing block.

Mr Thomas: Recently the land in the street where I live was rezoned R25 and virtually every block in that street has been divided in two. The street has twice as many houses as it had originally, and most people have no backyard.

Mr CLARKO: In what suburb does the member for Cockburn live?

Mr Thomas: Melville. It is a very old area and most of the people in the street are elderly people for whom the backyard had become a burden. By subdividing the blocks, more people live in the area and are using public transport, which provides better use of public resources. Also the older people do not have the burden of looking after the backyard.

Mr CLARKO: When I made my earlier comments I tried to cover situations such as that. I certainly do not disagree with subdivision in those circumstances. If the member for Cockburn lives in Melville, it is probable that the blocks in the street to which he referred are larger than 1 000 square metres and probably the subdivided blocks will be 500 or 600 square metres in size. I am not opposed to examples such as that. The type of development to which I am opposed occurred in Innaloo when part of the market gardens south of Karrinyup Road was subdivided. That land was on one side of a street facing ordinary houses, and 28 duplexes were built on it. There was an uproar from the residents because of the problems caused by the greater density of traffic in the street and the types of people who moved into those duplexes. Almost all the duplexes were rented, while the occupants of the original houses were owners. The mix of the types of people in that area caused a great deal of social dislocation.

In the article in the *Sunday Times* to which I referred earlier Chris Manly made an important point that there was no evidence of consumer approval for smaller housing lots. The report on the future development of Perth, written by an Eastern States professor and his colleagues, states that if public opinion does not go along with the development of smaller lots, they will be overridden with propaganda and the like.

To illustrate the point I am making I refer to a new suburb called Stratton which will be developed with smaller housing lots. An urban consolidation program will take place in that suburb, through a division of Homeswest called Urban Concepts. That body is not only building in Stratton but is also in the midst of considering similar developments in the suburbs of Cockburn, Kwinana and Stirling. I query whether the citizens of those three localities are aware of the location of those subdivisions. Do they know of these plans and will they be given an opportunity to express their opinion on this development? Alternatively, will it be imposed upon them? Stage one of the Stratton development will involve 1 000 lots; 300 more will be developed than would be the case if conventional lot sizes were used. Assuming that three persons will occupy each housing lot, stage one development will have a population of 3 000. On conventional housing lot sizes the population would be about 2 000; therefore the population in that suburb will be 50 per cent higher than the norm. This development is taking place in Swan View which people who live in suburbs such as Cottesloe or Trigg regard as almost west Northam and a rural area.

Mr Marlborough: We who live south of the river think of Trigg as south Geraldton.

Mr CLARKO: That is possibly so; I have heard that story before. I put it to the House that that highlights a dramatic increase in the population of a suburb which is largely bushland. It is a sardine approach. With regard to other aspects of this situation, what will be the width of these lots? The conventional width of housing lots now is 20 metres, but in the proposed developments the width will be 14 metres. In the old fashioned terms to which I am accustomed that means a reduction from 65 feet to 45 feet - a loss of 20 feet. How will it be possible to erect a carport and other facilities on such blocks to maximise their use? The urban development manager for Homeswest has admitted that Homeswest has made mistakes in the past with regard to housing development, for example the development at Mirrabooka which was recently constructed. I would be most concerned if Stratton became a precursor for problems such as those which occurred in the Balga flats to which I referred earlier.

Of course, the Master Builders Association has a vested interest in this proposition and its spokesman has said that small lot development has been accepted in the Eastern States. I am not surprised to hear that. I am sure that in Sydney the only way many people can afford a block is to purchase a smaller sized block. This spokesman has said that consumer distrust and local government suspicions are probably linked. I thought he gave himself away a bit when he said that some of them will be the same size as normal; will it be one in a 100, or what? If houses are to be the same, and the lots are down to 400 square metres, what size will be the front and back yards? He says that the challenge for people who support smaller lots is to convince people that there will be no fall in living standards. He says the worst

scenario is a slum created by having dog boxes; that is what people envisage, but it will not happen.

That is what he says, but I have my doubts. Can he say that with absolute confidence? I think the project is mainly about saving money, and they are trying, therefore, to put up an argument to defend that, based on other grounds. There certainly will be less privacy, and although I believe the rich can cover themselves on smaller lots, the poor cannot, and they are the ones who probably need a larger amount of space.

I went to Canberra during the Whitlam years - I think it was in 1973 - to attend a conference of the Urban Development Institute. We were taken to a group housing project which had won an Australian award. It looked like an ants' nest. All the houses had adjoining walls, with no back yard. The front yard consisted of a very small piece of land, about half the size of this room, at best. There were three high walls surrounding the front yard. The house was like a piece of cake in shape, and as one got inside the front yard, one looked about and could see an aluminium roof, which was the decking for the carport; a clothes hoist; and a minute piece of land, about twice the size of the Table of this House, where the children could play. As I was standing in that yard I felt a bit like the bloke in "Porridge", as though I was in the yard of an English prison. I do not believe that is what we need in Western Australia.

I wish to refer now to an article in *The West Australian* of Tuesday, 26 September, under the heading, "EPA urges change to save drinking water." That is a very significant article, and it has many quotes in it which are attributed to Barry Carbon, the Chairman of the Environmental Protection Authority, who says that -

... instead of sprawling outwards as many people envisaged in the pre-Greenhouse era, Perth's expanding population should be housed in higher density inner suburbs.

"We should be looking at a more equitable mix of housing - more duplexes and triplexes mixed in with 700 sq m and 350 sq m blocks," Mr Carbon said.

That will be an absolutely lamentable move. I think my colleague, the member for Peel - who I do not think was born in this country - would agree with that. He was born in a country which has a population density very much different from that in Western Australia. In Western Australia we have 1.5 million people in roughly one million square miles.

A Government member interjected.

Mr CLARKO: Yes; a sandals and socks fellow.

The people in the United Kingdom - which is a very fine country - are crowded together. That is what motivated people like the member for Peel, and my mother, 80 years ago, to come to Australia, because they found the space of Australia very attractive. The space and the sun of Western Australia affects our lifestyle, and I am sure members opposite have a similar feeling. Perth is considered to be a lovely city, not just because of its climate or the Swan River, but because of what has gone on in the creation of our suburbs, which are in most cases very fine suburbs because they have what others might call large lot sizes, but which I consider to be conventional lot sizes.

I suppose that everyone in this room lives in a house lot size which is greater than 700 square metres. I would be very surprised if anyone here were to live in a 350 square metre lot size, unless one lived in an apartment. If one is a sandals and socks person, one might find that acceptable! I guess the member for Peel does not have two or three young children because if he did he would not want to be in a spot like that. If one were on the exalted salary of a member of Parliament - and had perhaps been on a higher salary previously as a union representative - one would be able to afford to live in an expensive and quality apartment which is small, such as those one finds in Crawley.

I find the suggestion that duplex and triplex units should be a common means of living for Western Australian people to be absolutely disgraceful. A duplex or triplex unit may be a marvellous place in which to live, and there are some quadruplex units in my area - in North Beach, for example - which are beautiful places, and most acceptable to live in, but they are not suitable as the norm. It is certainly not appropriate for a person who comes to Perth, or a young couple who are about to get married, and who say to their real estate agent, "I want a house lot", to hear him say, "We have a lovely large block that is 450 square metres." Mr Carbon states that 700 square metres should be the largest lot size, but I believe that for most

people - with some exceptions, which I will be naming - a larger lot size is required. If we were to follow Mr Carbon's argument, Perth would deteriorate as a place in which to live. He is using this argument in respect of our water supply problems.

An Opposition member: I bet he has a back yard!

Mr CLARKO: Yes; unless he lives in Crawley, where he has decided he does not want one.

The report says also that it would be appropriate, once the railways are electrified, to put housing onto the railway reserves. Some members will know the spot near where I was born, in Cottesloe, where there are some wide areas of land. That area could be filled up with high rise apartments; but the local people do not want that. We would take away from the amenity of Perth if we were to do that. I drove through Floreat Park today, along Oceanic Drive, which has in parts a lovely tree covered section in the middle of the road. That is absolutely beautiful, and it gives one a good feeling to know we have that much land. It is a nonsense to suggest we have to start crowding people together.

The argument that the cost of servicing the land is high is again a nonsense. I do not know the latest figures - perhaps my colleague, the member for Applecross, could tell me - but the servicing cost about a year ago for an average lot was \$12 000. If one has a block the size of mine, which is supposed to be worth \$300 000, that would be a minuscule percentage.

Mr Thomas: It costs the State Government \$20 000 or \$30 000 to create a lot on the frontier.

Mr CLARKO: I would be happy if the member were to produce that information for me. However, if that land were to sell for \$70 000 or \$80 000, it would be only a small part of the cost, and if the cost is such that we have to change the lifestyle of the people of Perth, and have the negative social effect that I have outlined, then we should not do it in this way.

The Liberal Party said in its policy statement for the February 1989 State election that it advocated that in addition to the semicircle which takes in metropolitan Perth, we would develop two very much smaller semicircles above and below Perth, in the broad region of Yanchep to the north and Mandurah to the south, and that those places would be linked by fast rail to central Perth. In that sense there would be no problem to tie in those areas with the railway which the Leader of the House promised us in September last year would be built in one year.

Mr Pearce: That is not what I said.

Mr CLARKO: It is in *Hansard*. I interjected at the time to say that I hoped that would be the case. The Leader of the House qualified his statement later on; perhaps it was one of his many slips of the tongue. However, the year has passed, and it will now, unfortunately, be many years before that takes place.

Mr Pearce: It will be 1992.

Mr CLARKO: It is all grist in the Minister's mill, and when we get that railway I hope it will be usable, because I have heard that some doubts have been expressed about the parking facilities and the bus link-ups. I understand there is a report before Cabinet at the moment.

Mr Pearce: Not quite; it is two or three weeks away from the master plan.

Mr CLARKO: I have no criticism of that, but the Minister will remember that he promised me about two years ago that he would give me a copy of the new planning Act; and I still do not have it. I had to get it somewhere else. I ask the Minister if he would please give me a copy of the report as soon as it comes out. As soon as *The West Australian*, the *Sunday Times* and the *Daily News* get it, I would like a copy too. I am very keen to see it, as are the people of the northern suburbs.

The lifestyle in Perth is envied by almost every visitor to this State, and that is partly due to the housing styles we have and the space that goes with it. Mr Carbon said that with smaller gardens residents would use less water - I guess that is a truism, or is axiomatic, or something of that sort. However, I have heard that in the summer months up to 70 per cent of the water used in Perth is used on our gardens, so when people talk about our great water crisis I believe we should set, on a more regular basis, hours during which to water our gardens. In certain drought years people are allowed to water their gardens only before 8.00 am and after 6.00 pm, and the amount of water used is reduced fivefold.

Mr Taylor: We should have a policy which says "No sprinklers are to be used during the hot daylight hours".

Mr CLARKO: The Minister for Conservation and Land Management, with his economics background, knows the problem: If we cut the amount of water used in Perth too dramatically the Water Authority of Western Australia would have to multiply the unit cost of the water to maintain its level of income. That is one of the reasons it does not enter into such restrictions unless it is really forced to do so. I note also that Mr Carbon comments about how the recent studies have not taken proper cognisance of the greenhouse effect.

Mr Shave: But if you build on the whole block and have nowhere to put a clothesline or a garden you will get rid of the water problem anyhow.

Mr CLARKO: Yes. Is it only the ikebana one has to worry about then?

Mr Carbon said that the greenhouse effect must be taken into account and that planners have not done that in the past. I am yet to be convinced that we know what we are talking about when we talk about the greenhouse effect. Only in the last two weeks I read that scientists once forecast that temperatures would rise by five degrees centigrade, but that was 100 per cent out and it is only 2.5 degrees centigrade. Am I really to believe that? I believed the forecast of a temperature increase of five degrees; do I now believe the amended forecast of 2.5 degrees, or is that likely to be wrong as well? We cannot start making decisions which are directly consequent on and proportional to what is forecast by greenhouse propagandists if suddenly, over the last two weeks, we find they are 100 per cent wrong on a major statistic.

Mr Wiese: Don't build your ark yet.

Mr CLARKO: Right! So when one talks about urban containment and the inner suburbs, and when one artificially chooses a new set of inner suburbs, as does this "Planning for the Future of the Perth Metropolitan Region" - the study done by Professor Neutze, who comes from Canberra; no doubt he is a good academic and is good at producing reports like this - it is wrong to choose a factor, or a proportion which may be appropriate to other parts of Australia and the world and say that it is appropriate for Perth, because it is not appropriate for Perth. The very hot climate in Perth is another reason we need larger lots than an equivalent society in a cooler area.

I believe the Government should seriously consider the proposition by the Liberal Party to create two sub-satellite centres of Perth on the coast on the northern and southern edges of the metropolitan area and create lots of the standard size there. If there are appropriate spots we could also create some smaller lots, but generally the size of a housing lot should be in keeping with what we have enjoyed traditionally. Those sub-satellite centres should be linked by a good rail transport system, and of course there must be effective roads as well because I understand the people of Perth are the most car orientated people in the world. Therefore both road and rail transport must be considered. We propose that these centres be near the ocean, because I understand that overwhelmingly Australians - that is, 80 per cent or more of Australia's population - want to live in close proximity to the sea. At present the sites where we propose to create these sub-satellite centres are open bushland and there would be a minimum number of problems in establishing them.

It is very interesting that Japanese Ministers come to Australia, as they did in the last couple of years, putting forward views about the creation of technopolises - modern cities with all the latest technology. That concept is attractive to some people but others are afraid they will become places for wealthy Japanese only, and are concerned they will be mainly golf courses to satisfy the Japanese people and will not be cities for Australians.

There is still a lot of room in Perth for people to live in. It is asserted in this "Planning for the Future of the Perth Metropolitan Region" report that by the year 2021 we will need approximately 360 000 extra lots, and that increasing the housing densities in some of the inner city areas would enable an increase of 8 000 lots. If the Government intends to ruin people's lifestyles by crowding more people into their area against their wishes, and only 8 000 lots will be created against the anticipated requirement of 360 000 lots, the problem really will not have been addressed.

Mr Lewis: Of course, it does not increase the density either - that remains static. You get more houses but fewer people to house.

Mr CLARKO: That is right. Yesterday Mr Carbon argued, principally from the point of view of our water needs, that we should be moving into duplexes and triplexes and lots of a size down to 350 square metres, and that that should become the norm for Perth. I believe that would destroy the traditional social life of Perth. This Government either sees no merit in, or is not prepared to consider, our proposition to create two new sub-satellite centres north and south of Perth on the coast. Homeswest is becoming involved in new subdivisions like Stratton and proposes that they be in Cockburn, Stirling and elsewhere. We have a whole series of Government bureaucrats who, regrettably, may have the power to do this, and I seriously urge the Government to listen to public opinion and not force its viewpoint on this matter onto the community of Perth against the wishes of individual citizens and the local councils involved; because I do not want to live in a sardine society. I do not want Perth to be some sort of microcosm of downtown Hong Kong. Western Australia has a particularly beautiful city in Perth, and one way to keep it that way is to allow us the appropriate room in which to move and live.

MR BLAIKIE (Vasse) [3.27 pm]: In this Budget debate I want to indicate clearly that public works are not being carried out and services are being reduced. We are faced with the knowledge that the State has lost hundreds of millions of dollars in its nefarious business dealings. While works and services are not being carried out at the rate at which they should be, State Government charges continue to spiral in order to meet the Government's own financial shortcomings. As if that were not bad enough, the Labor Party has been responsible for the high interest rates that are now affecting all Australians. In Western Australia the teachers are in despair; education is in despair; the Government's record of mismanagement is evident in many areas throughout the State. This all comes back to the fact that the average bloke in the street is really bleeding because of high costs of mismanagement this Government has imposed upon the State, yet the Government continues its cover-up of mismanagement and deception of the people time and time again.

In this Budget debate I want to ensure that the Parliament is treated far better than it was treated 12 months ago. I speak of the series of specific items that were, at the Government's direction, excluded from the Budget. These include Aboriginal Affairs on which no debate on the items took place. We also had no debate on the Ministry of Education. Not all annual reports were received last year. I challenge the Government to ensure that the reports are available to members so that proper scrutiny of them can take place. If that happens, those circumstances will be totally different from those which applied last year.

Mr Parker: The annual reports are not due in until late November.

Mr BLAIKIE: The annual report of the Department of Aboriginal Affairs was 18 months late last year. It was received the day after the Budget item was due for consideration. Due to the ongoing debate in this area, and because of this sensitive area of Government expenditure, it is an item on which people like to ensure that money is properly spent.

Mr Pearce: You had the opportunity for debate.

Mr BLAIKIE: The Government gagged debate.

Mr Pearce: After about four and a half weeks.

Mr BLAIKIE: I want the Government to give a commitment and a guarantee not to continue this type of cover-up of the State's financial affairs, and allow Parliament to have full and proper debate and to ensure that full and proper disclosures occur. That has not been the case in the past.

The Government did not tell the truth last year in relation to the Teachers Credit Society. During that Budget debate, under item 91, the member for Cottesloe stated -

... the sorry story of the Teachers Credit Society is reflected in this Budget allocation, but not adequately. I want to raise some very specific questions with the Minister -

Further on, Mr Hassell went on to say -

... may I point out that the taxpayers of this State have already borne \$18.8 million. Another \$25 million has been allocated.

Then, referring to the final loss of TCS, Mr Hassell asked, "Does the Government still believe that the final figure will be \$119 million?"

Debate was subsequently adjourned. Later on, the Leader of the Opposition entered the same debate and asked the then Minister for Police and Emergency Services, who was then Acting Treasurer, whether the losses of the TCS were \$119 million. The Minister replied, "It is \$119 million." Mr MacKinnon asked, "It will not be any more?". Further on Mr Taylor said, "I answered it three times." This shows the dishonesty of the Minister.

Mr Taylor: I was spot on.

Mr BLAIKIE: The figure is now in excess of \$129 million.

Mr Taylor: Don't try to mislead the House.

Mr BLAIKIE: I am not.

Mr Taylor: You are putting your own question to the answer; that is deliberately and deceitfully misleading the House.

Mr BLAIKIE: The Minister is the person who was telling pork pies; he was caught out red-handed. The point is that last year the House approved a vote of \$25 million to bail out Teachers Credit; how then did the expenditure increase to \$110 399 291?

It is interesting to note that the Minister assisting the Treasurer has left the Chamber. We know who has been telling pork pies in this House. He had been asked about the total debt of Teachers Credit Society, and three times he answered \$119 million. The expenditure has now reached the amount of \$129 million. Without the approval of Parliament, the Government has spent another \$85 million. The Government did not tell the Parliament the truth about this matter because it did not want the public to know. If the public had known the amount to be paid out exceeded \$110 million, the Government would have lost the election due to financial mismanagement.

I draw attention to page 59 of the Estimates of Revenue and Expenditure for the year ending 30 June 1990 - The W.A. Teachers' Financial Society Ltd (under administration) - where the vote is \$25 million and yet the expenditure is \$110 399 291. Clearly, without the approval of Parliament, that vote has blown out to in excess of \$110 million.

When Gough Whitlam attempted a deal with Khehlani, the end result was his removal from office. Yet this Government can be bare faced liars in Parliament and get away with financial murder - that is on the record.

Mr MacKINNON: It has lost millions.

Mr BLAIKIE: In due course, the Government will have to come clean. We could ask what other items will be added to the Budget after Parliament rises. We see that one amount of \$85 million has not been disclosed, and we note that the Minister involved has decided to run from the Chamber. He is not prepared to answer to the Parliament as to why he deceived Parliament in that way. This is all part of the deception which took place 12 months ago. At the moment we have the continuing wrangle over the Petrochemical Industries Ltd project. Debate has continued widely within Parliament, but for the first time we notice comments from the media. The media is questioning the Government about its actions.

I refer to *The West Australian* of 8 September, wherein the editorial comments read -

Deception in petro plans

It is now patently clear that from the beginning the State Government has seriously misled the people over the petrochemical project.

Not only misleading the people but also misleading the Parliament. The article goes on to say -

The Dowding Government's first big mistake was in not admitting that the rescue had misfired and that the \$150 million had been lost. Instead, it has kept up a charade that has put it into deeper trouble. The whole operation has been essentially a deferral of liabilities. Those liabilities can be deferred no longer.

All that the Government's dissembling has achieved is to convert a potential liability of \$150 million in the Rothwells fiasco into a likely loss of at least \$330 million in the petrochemical plant.

And further on -

By then the Government had dipped into its coffers for \$75.5 million to meet the starting costs of the project and the revenue raids have continued. Yet both inside and outside Parliament, the Government kept up the pretence that the \$1.2 billion project would be financed entirely without impact on the taxpayers.

That argument has raged within Parliament day after day and week after week. The media has taken note and has taken up writing its editorials about the deception of this Government. It is interesting, because it says -

The Government must come clean. Through its equivocation and deceit it has destroyed its credibility and tarnished its reputation with the business community here and abroad. The damage will take a long time to repair.

There was a time when, under the Westminster system, ministers would have resigned for such behaviour. That rarely happens now. Governments have a habit of toughing it out rather than sacrificing ministers.

We operate under what is left of the Westminster system. Ministers should have stood aside in the same way as Deputy Premier Fordham stood aside in Victoria recently while an inquiry was conducted into the operations of the Victorian Development Corporation. Subsequently, Minister Fordham resigned because comments that he made to Parliament were later found to be untrue. It was required of him under the Westminster system. This Dowding Government has toughed it out because it has no regard for the parliamentary system. However, at last it is being taken to task by the community. On 3 December, the *Sunday Times*, under a front page banner headline, "Who is the liar?" stated -

Someone is telling lies. That is the only conclusion left open to West Australians as the whole wretched mess of the petrochemical saga grinds on.

It went on -

Having made his sensational claims - and alleging a Bond-Liberal Party alliance to bring down the Government - Mr Dowding cannot just walk away from them saying he is advised that they do not constitute a legal offence.

This is the stuff of which corruption is made. It demands inquiry and vigorous pursuit of the truth. Nothing short of a royal commission can achieve that.

If what Mr Dowding says is true, Bond Corporation has sought to engage in blackmail with a high cost to the taxpayer.

If what Bond Corporation says is true, the Bond property deals were agreed to from the outset and Mr Dowding has lied to Parliament and the people.

The *Sunday Times* of that date raises the questions about whether Bond was telling the truth or whether Mr Dowding had lied to the people. Having seen what has happened in this Parliament, it is apparent that the latter is the case because, too often, this Government has deceived the Parliament and the people and sought to tough it out without meeting its responsibilities to the Westminster parliamentary system.

The *Australian*, of Friday, 1 September, in an article written by Mark Irving and Peter Terry and under the banner headline, "Government lied on \$1.2bn deal: Bond" stated -

Bond Corporation yesterday accused the West Australian Government of lying and trying to renege on secret legal commitments to build the \$1.2 billion Kwinana petrochemical plant.

The article stated further -

Bond Corp's managing director, Mr Peter Beckwith:

ACCUSED the Government of lying about details of its joint venture with Bond Corp.

REJECTED as untrue claims made by Mr Malcolm Turnbull in a letter tabled in State Parliament on Wednesday in which the lawyer said Mr Beckwith and Mr Alan Bond had threatened to block Supply in State Parliament.

CLAIMED the petrochemical venture was inextricably linked with the State Government Insurance Commission's (SGIC) ownership of Bell group shares for which Bond has entered an indemnity as part of the rescue of Rothwells.

I challenge Government members, because they are so sensitive on the issue of lies being told in this Parliament, to tell us whether those words are unparliamentary and whether they cast aspersions on the integrity of members. The newspapers have done precisely that. *The Australian* said that the Government lied about the \$1.2 billion deal. The Government has had the opportunity to issue writs to claim redress for those statements. It has also had the opportunity to sue for libel reporters Mark Irving and Peter Terry, Alan Bond and Peter Beckwith. It has not taken such action; it has taken that action only against the Leader of the Opposition. These national daily papers have said that the Government lied about the \$1.2 billion deal. The other side of the equation is that, if it has not taken action to claim redress for those articles, we should assume that what has been said is correct. By its actions, the Government is being judged. By not taking any action, it lends credibility to the stories. The Government is writ happy and issues writs at the drop of a hat. However, on this occasion, the Government has chosen to take no action for a number of reasons known only to it.

This matter has gone on for too long. There is a growing body of opinion among supporters of all parties, including green voters, that the Government has been deceptive and dishonest in its actions and that it has wasted hundreds of millions of dollars. I intend to pursue this matter in the Committee stage of this Bill and I serve notice on the Government that I will want my questions answered. Additionally, I will want to know what the Government is doing about getting back the money it lost. Who has got that money? It could not have vanished into thin air. When I speak to the growing army of people who are bleeding because schools are not being built and teachers are not receiving higher rewards for their services, I hear that they want action taken. The only place that action can be taken is through their elected representatives in this place.

An amount of \$1.9 million has been allocated in the Budget to EventsCorp for the support of sporting events, but none for the Margaret River Masters which will be conducted from 31 October to 5 November this year. A media release issued by the Association of Surfing Professionals states -

A large contingent of the world's best international surfers will converge on Margaret River for the Body Glove Margaret River Masters from October 31 to November 5, 1989.

It continues -

This year, the Body Glove Margaret River Masters which is 2A rated for both men and women and includes fully rated trials and longboard divisions which will carry a prizepool of US\$100,000, more than triple that of 1987.

Not only will the tournament attract local and national media attention, but also international coverage to 58 countries throughout the world including the United Kingdom, Hawaii, USA Mainland, France, Spain, Portugal, South Africa, Brazil and Japan.

This international surfing event is the grand prix of all grand prix events of its type. Only 10 surfing carnivals of this magnitude are held in the world and four of them are held in Australia - one will be held in Western Australia. The organisation that has gone into this year's event is a credit to the organisers and to the community.

It is important to remember that some 12 months ago a major controversy arose because the Shire of Augusta-Margaret River refused to give permission for a similar event to be held. The controversy arose because the promoter could not give assurances to, or provide the guarantees required by, the local authority to ensure crowd control and land management. The shire was criticised for not allowing the event to go ahead, but it was not prepared to allow the area under its control to be ruined and it insisted on proper controls being put in place. It must be remembered that an event of this kind not only attracts hundreds of competitors, but also it attracts tens of thousands of spectators.

As a consequence of the shire's actions some of its councillors visited Bells Beach in Victoria earlier this year to witness a similar event and their visit led to the shire being represented on the Margaret River Masters committee. I understand that at today's shire council meeting an application from the committee for financial assistance will be considered.

I note that the Government has allocated \$1.9 million to EventsCorp in this year's Budget.

The organisers of the surfing event have, to date, been unsuccessful in their attempts to obtain sponsorship from the State Government through its various instrumentalities. Last week I spoke with the Minister for Health to ascertain whether financial assistance could be arranged through the "Quit" campaign or other health programs and I understand my request is receiving consideration. I understand the Ministry of the Premier and Cabinet has been presented with a video in support of the committee's request for financial assistance, but to date a reply has not been forthcoming.

It is important to acknowledge that this event is of international significance and it is expected to be of considerable benefit to Western Australia. The organising committee is obliged to arrange an entertainment program for the people who are expected to visit the region during the carnival. It is anticipated that approximately 15 000 spectators will witness the semifinal trials which will be held on a Saturday and Sunday and that 5 000 people will attend the events each day of the lead up to the main events. It is estimated that 45 000 people will visit the region during the events.

The promoters have a responsibility to the local community to ensure adequate entertainment is provided and an open air rock concert is scheduled to take place on a sporting oval which is removed from the town. It is anticipated that 7 000 people will attend the concert and the local community is in favour of these sorts of events being organised by the promoters.

What will be of benefit to the State is the exclusive television rights by Channel Nine's "Wide World of Sports" program and it is estimated that in the quarter of an hour during which this event is televised it will attract an Australian viewing audience of 550 000 people. In addition there will be a direct live coverage to several countries around the world.

The event has attracted 72 of the world's top surfing professionals and it will be the grand prix of surfing events of the world. The South Australian Government seized on the South Australian Grand Prix - a motor race - and this is an opportunity for the State Government to ensure that this event becomes an annual event and is of benefit to Western Australia.

The local community will be fully involved in the staging of the event and some of the local clubs and organisations which will be involved include the State Emergency Service and the local karate club. It is interesting to note that the karate club will provide security at the contest and will assist professional security personnel at the open air concert which will be of assistance to the police. Other organisations involved are the Margaret River Horsemen's Association, the Margaret River Speedway Club, the Bunbury Surf Life Saving Club, the St John Ambulance Association, the Margaret River Boardriders Club, the Margaret River Tourist Bureau, the local police and the Western Australian Surf Life Saving Association. The Western Australian Tourist Commission will undertake a study of the impact on, and economic benefits to, the shire. The Leeuwin Conservation Group has been invited to take part in the event in a similar capacity to the conservation group which took part in the Bells Beach Classic.

The event is not a hillbilly event and I ask the Government to give favourable consideration to providing financial assistance to the organising committee. Surfing is a growing sport and the television coverage of the event will be of significant benefit not only to the Margaret River region, but also to Western Australia.

I take this opportunity, as I did in my speech during the Budget debate last year, to congratulate the Government on the progress that has been made at the new Margaret River Hospital. The building is nearing completion and it looks as though it will be ready for occupation in January or February next year. Indeed, it is a long overdue facility which has been gratefully received by the community. The old hospital was certainly a thorn in my side and it continues to be a thorn in the side of the wider community. Community groups within the area have requested that the old hospital be retained and used for community purposes. A request has also been received from the Notre Dame University, proposed to be established in Fremantle, to use the old hospital as an agricultural wing of the university.

Debate raged within the local community over many months. Notre Dame has finally decided that it does not wish to proceed with the use of the hospital or the land and the local shire has now approached the State Government to ascertain whether it can have the freehold title of the old hospital with a view to using it for community purposes. I believe that is the way to go. I request the Government to give every consideration to handing over the hospital

site on a similar basis to what was done at Bridgetown some years ago when the old Bridgetown hospital was handed over and it is now used for community services. It has become a very important building in the town and has been an important factor in building up the spirit of the Bridgetown community. I see a similarity in the Margaret River proposal.

I now turn to the Notre Dame proposal to locate its agricultural wing in Margaret River. I hope this proposal is still a valid one as it is keenly sought after by the local member and, I believe, the community. I thank the Notre Dame management publicly in this forum for considering Margaret River as a site for this prestigious development. In order to ensure that Notre Dame is encouraged to go to Margaret River I believe it would be quite proper for the Government to consider a land grant. Governments can do all sorts of things with Crown land, some of which cause great argument in the Parliament and others which cause great argument outside the Parliament. Governments can provide land for industry at little or no cost; or they can provide it at a peppercorn rental.

If the Government wants industrial development in an area it can provide all sorts of concessions and incentives to industry such as energy at a half or quarter rate or, if the industry is important to the State, at no rate at all. Land can be provided by the Government for aged people's homes, for yacht clubs and for sporting organisations and the like. I submit that it is competent for the Government to consider a land grant in the Margaret River area to encourage Notre Dame to continue with its desire to establish a university in Australia with its agricultural faculty at Margaret River. I do not know how much land would be required for the project.

I wish to talk about the principle of providing land for such purposes. Within the boundaries of the Margaret River township are areas of both Crown land and forestry land that could well be eminently suitable for this purpose and which, in due course, could provide a long-term benefit to the Margaret River region. In due course there will be benefits to Notre Dame, of course. A far more substantial benefit would be gained by the region and all those engaged in agriculture and interested in the future of agriculture in the region. I have raised this matter during this debate because I believe the acceptance of Notre Dame's establishment in Margaret River would be an enormous bonanza of the right kind for the region. I certainly will encourage public debate to get members of the public talking about their views on this subject as I am a keen supporter of the project.

Today I laid on the Table of the House a petition from people associated with the dairy industry who are concerned over the payment made to the Eastern States which is known among dairy producers as the "Kerin dairy levy". This levy amounts to about 45¢ per kilogram of butterfat, which when converted to a milk quantity is equal to 1.8¢ per litre. The petition indicated that dairy farmers, on average, are paying \$8 000 to Victorian and Tasmanian producers by way of a subsidy to the industry. Western Australia produces 245 million litres of milk each year, so some \$4.5 million is contributed by this State's dairy farmers to the benefit of the dairy exporting States of Victoria and Tasmania. The whole purpose of the levy initially was to provide an industry levy assistance package whereby the dairy industry of Australia would contribute to subsidise dairy produce sold out of Australia.

Members would understand that we are a net importer of dairy produce in Western Australia. The same applies to Queensland and South Australia. Those States simply contribute to the benefit of the Australian dairy industry and, more importantly, to their counterparts in Victoria. I have opposed this levy since its inception and will continue to do so because of my former involvement with the Margaret River cheese factory. If one assumes that factory is using 700 litres of milk a day five days a week for 40-odd weeks a year - the product that factory produces never leaves Australia and so does not compete with any imported or exported product - that factory must pay out over \$3 000, because of the direct levy, to Victorian producers. The whole system is grossly unfair. This is a cost that we must get rid of.

One of my constituents, Sid Slee, has written to me, as follows -

The South West has based its development on the dairy industry, providing us with wealth. Coupled with other farming industries it has placed this state and Perth in an enviable and independant position to which our growth and prosperity is a testament.

He continued later -

As an average dairyman I find over nine per cent of my income from milk last year 1987-88 went to the M.S.P. levy (in excess of \$12 000). While over 10% has been deducted over the last few months from our milk cheques for the same levy.

Apart from leaving a nasty taste in our mouths, we are now in a position, on looking back on old records, when our first Minister for Agriculture, Mr George Throssell when looking into the possibility of a dairy industry in Western Australia 1898, was trying his utmost to avoid.

The shelves are packed with dairy produce from Victoria in our local supermarkets at the present time.

Please look into the abolition of this levy and a more equitable arrangement perhaps of supplying market milk before it is too late for our industry, which appears, at present to be controlled by a few large quota holders.

I share this view. In the year to 21 September an announcement was made that the Victorian Government was looking to reduce the price of milk. The Victorian dairy industry has set up a process to restructure its industry, and part of that will be undertaken as a result of money received by way of direct subsidies from the Western Australian industry. The time is overdue for Western Australia to deal with these circumstances, and my recommendation is that Western Australia should withdraw as quickly as possible. There are no compunctions in the business of selling goods; State boundaries mean nothing, and I do not want them to either. While subsidisation is continuing, products are flowing in from the eastern seaboard, so this levy should be phased out.

There has been some restructuring of the manufacturing industry in Western Australia already. I had the opportunity three or four weeks ago of seeing a new dairy company, Harvey Fresh, and I commend those entrepreneurs for their imagination and initiative. I wish them every success, because if the industry is to survive, it needs entrepreneurial skills. Manufacturers must be prepared to take risks. Harvey Fresh deserves all the accolades I can give it, and I wish the company success; it deserves it.

MR PARKER (Fremantle - Treasurer) [4.12 pm]: I thank all the members who have spoken during the debate on this Bill. There has been a wide variety of speeches covering a huge range of topics, some directly related to the Budget and some not. For the purposes of my response I want to concentrate on the two or three points which touch most on the Budget.

The first point was raised by several members of the Opposition, starting with the Leader of the Opposition, and it concerned the issue of the State's debt, the prudential or otherwise way in which that debt is being managed, and the way in which this Budget impacts on that position. At 30 June this year the State's debt represented about 27 per cent of our gross State product. Two years ago this figure was 29 per cent, so we have already seen a very substantial reduction in the percentage of debt to gross State product, and the current Budget will provide a reduction in that proportion of State indebtedness to GSP in the year ahead.

The debt which the State has incurred is very largely in the hands of utilities, particularly the SEC, and to a lesser extent the Water Authority. Much of that debt has been incurred in order to fund the very essential infrastructure, and much of it is being serviced by the revenue created by the investment. The investment is put in place, and that creates an opportunity to earn revenue, which in turn services the debt. That is the case with regard to the SEC.

Much of the increase in debt was actually incurred by the Opposition when in Government. Nevertheless it has funded the infrastructure which is now servicing the State. The position is the same with the Water Authority, and to a lesser degree with other financial institutions and utilities of the State. We need to be able to provide that infrastructure to create the economic growth and employment which I dealt with in my Budget speech and which is so important. In fact 65 per cent of the State debt is attributable to statutory authorities. SECWA is the major contributor, accounting for around 55 per cent of the lift in State debt in the 1980s. In that time we have had a 34 per cent increase in real terms in the size of the State's economy, which is a massive increase. In other words, the economy is a third bigger today in real terms than it was five years ago.

It is important to recognise that debt is an integral part of the financing of major long life

assets. It makes sense to employ a mixture of debt and internal funding. The alternative is for the current generation of users of these facilities to meet the full costs now, despite the fact that the flow of services will extend long into the future. This would be clearly grossly inequitable.

Despite concerns expressed by the Opposition over the level of our debt, the fact that this debt has been applied in a responsible manner is amply demonstrated by the Moody's AAA credit rating for the State. We have also been very prudent in the way in which we have funded our capital works program, moving to a much higher reliance on the internal generation of funds to fund these very important projects.

The Capital Works Program and borrowings for it have been very substantially reduced over the past seven years. During the period of the last Government, in the 1982-83 financial year, the Capital Works Program was \$950 million, and of that 46 per cent represented debt financing. On the basis of this financial year's borrowings for our proposed Capital Works Program of \$1.6 billion, debt financing is budgeted to be less than 30 per cent. In other words, we have gone from almost half of our capital construction costs being met by debt to well under one third. Most people would regard that as a very creditable achievement. It is a sign that the State has been moving in a very prudent way and has been able to maintain a Capital Works Program of importance to the State at a time when the Commonwealth has cut back on the State's capacity to borrow for quite legitimate macroeconomic reasons, and where we ourselves have wanted to reduce our reliance on borrowings but ensure that the taxpayers of the State still receive the facilities they deserve, and that the industrial infrastructure of the State is enhanced and developed.

In recent Budgets, particularly in this year's Budget, we have moved to ensure that assets with relatively short lives are funded from the Consolidated Revenue Fund rather than as part of the Capital Works Program. For example, until a few years ago, computers were regarded as capital assets and were funded from the Capital Works Program. I think that applied during the time of the previous Government and in the early years of our Government. We have now taken the view that, due to rapid changes in technology, the need for expansion and so on, computers are a recurrent asset and we now fund them out of our current funds. That is a major and very prudential move which means that we are only funding long life assets out of the Capital Works Program. Debt obligations are restricted either to revenue producing assets within the utilities or to other long life capital works of a social nature.

We have also not shied away from addressing longer term State financial management issues. The enactment of the Financial Administration and Audit Act in 1986 put Western Australia in the forefront of public sector administration, and that is just one example. We have upgraded and strengthened that Act in recent times.

A notable example which puts us at the forefront of all the States - this is something which no other State has tackled - is our unfunded liability for superannuation. We are now in the extraordinary position where all our statutory authorities are concurrently funding their obligations for superannuation. That was certainly not the case a few years ago.

That is not the case in any other State in Australia, except where certain statutory authorities fund external superannuation schemes, such as ports which have stevedoring superannuation schemes. However, in respect of Government employees' superannuation funds, until very recently Western Australia - and most States now as I understand it - did not fund those in terms of the employers' liability. In other words, there was no concurrent funding, and contingent liability simply increases until such time as it is incurred. That has always been one of the major concerns of the ratings agencies such as Moody's and Standard and Poor's about the way in which State finances have been handled. In 1987-88 the State Government moved to change that. The first thing the State Government did was move from a pension scheme to a lump sum scheme. Of itself that had a huge impact on the contingent liabilities of the State. Secondly the State Government forced the statutory authorities to fund their superannuation liabilities concurrently. Apart from the prudential aspect of that, it means that those statutory authorities are now operating in the same environment as their competitors or their equivalents are in the private sector. Except in the case of very large companies, private sector superannuation funds are invariably required to fund on a concurrent basis.

That is what the Government has done and I believe we have been very prudent in that respect. It has resulted in huge increases in expenditure because of the nature of the lump

sum scheme and the changeover from the pension scheme to the lump sum scheme. Our expenditure on superannuation increased by 200 per cent between 1986 and 1989-90. That 200 per cent increase in recurrent expenditure, if one looks at the overall balance sheet of the State and its financial state, actually provides for much greater financial health of the State. The balance sheet of the State looks much better as a result and the wealth of the State is much better; in other words, it is an improvement on the way it was done previously. Of course the longer term savings accruing to the State and the aggregation of capital involved in superannuation is also used for the benefit of the State and taxpayers generally.

The commitment to implement program management under the financial management initiative is yet another example of how this State is moving rapidly towards achieving clear accountability and budgetary strategies in order to ensure that it is actually achieving, by the expenditure of Budget funds, the programs the Government of the day seeks to achieve. At the same time, however, the revenue take from the community has continued to reduce as a proportion of the State's economy. Whereas in 1983-84 the revenue of the State was equivalent to 15.5 per cent of the Gross State Product, in this Budget it is forecast to fall to 13.3 per cent this year. That development should be applauded.

One development which has been universally applauded, even by the most conservative critics of the Government, is the introduction, for the first time this year, of a national accounts-based presentation of the State's finances and the altered presentation of the debt charges in the Budget showing where debt is actually incurred and against which aspect of Budget it is attributable. The Government's commitment to achieve reductions in total State Government expenditures - revenue and debt - as a proportion of the economy over the four-year term of the Government further underlines this Government's concern with emphasising fiscal performance and accountability.

I now want to deal with some of the comments made by the member for Applecross in respect of the State's contingent liabilities. While all sorts of comments have been made during the course of this Budget debate, most of them were dealt with in other debates within the House, in question time or in debates outside. I do not propose to go through that again, particularly not in the time I have available to me. The Government's housing program which was belittled to some degree by the member for Applecross last night, is so far in front of any previous Government's housing program that it hardly bears comparison. For example, in the last six years of the conservative Government, under the Commonwealth-State rental agreement, 4 500 houses were built. In under five financial years, this Government has seen 7 000 houses built under that program. If one looks at the totality of the housing programs supported by the Government - excluding Keystart, which I will come to in a moment - we are talking about something like a 60 per cent increase in the level of housing facilitated or funded by the Government compared with the level funded by our conservative predecessors.

The member for Applecross also made great mention of the contingent liabilities of the State. I have referred to one of the ways in which the contingent liabilities of the State were reduced. However the member for Applecross also referred to what was and what was not in the Budget papers. Unfortunately the member for Applecross does not understand that the liabilities and the contingent liabilities of the State are shown and are required to be shown - again, an initiative of this Government - in the Treasurer's financial statements tabled each year. The papers for last year have been tabled and this year's papers will be tabled, and these papers are required to show -

Mr Lewis interjected.

Mr PARKER: Allowance is not made in the Budget. It would be inappropriate because the Budget as such is not something which shows contingent liabilities.

Mr Lewis: They are estimates of what you will have to spend.

Mr PARKER: They are estimates of what the Government will have to spend within the next 12 months, and what should be appropriated for that. However, the contingent liabilities and assets of the State are in effect the balance sheet. The contingent liabilities of the State are shown in the Treasurer's financial statements. The contingent liabilities, for example, which were shown in the Treasurer's financial statements for last year, were \$625 million, as the member for Applecross could have found out by going to the Budget

papers. Of that \$625 million, \$104 million of contingent liability was represented by what was then thought to be the exposure to the Teachers Financial Society. That has now been eliminated and replaced with an allocation to the Teachers Financial Society.

Mr Lewis: It turned out to be \$129 million.

Mr PARKER: No, those figures are not comparable. The important thing is that there is no longer a contingent liability in that regard. Secondly, the contingent liability shown in those documents before the election of \$150 million for Rothwells has gone and has been replaced with an expenditure last year of \$22.5 million in respect of the same issue. In fact the contingent liabilities for the State arising from Rothwells and the Teachers Credit Society have been wiped.

As far as the contingent liabilities of the terminating building societies are concerned - which are somewhere between \$150 million and \$200 million, not \$100 000 as the member indicated - those and other contingent liabilities of the State will be shown in this year's Treasurer's financial statements. My bet is that the total contingent liabilities, including any contingencies that the Treasurer might have to WA Government Holdings Ltd, will not markedly differ from the contingent liabilities shown in 1988. That is the prudent way; it is the correct budgetary and accounting way to show these matters, and they are shown in the way the Government has done it, although they were not previously when the conservatives were in Government.

In respect of Keystart, the member for Applecross is simply wrong in most of his analysis. Of course there is a potential contingency on the State in respect of Keystart. That has never been in doubt.

Mr Lewis: Yes, it has; it was denied.

Mr PARKER: I have certainly never denied it. However, the important thing is that when one looks at the overall fund, the likelihood of that contingency being realised is very remote. Indeed the circumstances which the member for Applecross outlined were based on false assumptions, as he conceded when he answered some questions from me last night wherein he indicated that he was not using inflation on wages as a component of the issue. Not only does the Keystart scheme presume over time - not in any one year - an increase in the value of property, it also presumes an increase in wages. As wages increase, so will the repayment on Keystart increase. The member for Applecross did not take that aspect into account, which means that basically his figures were completely wrong. A whole range of issues have been debated by the House in one way or another.

The Estimates debate is coming up and that will enable further debate to take place on the details of the Budget. I think the Budget is a very creditable document. Even the Opposition has found very little to complain about in that document, and I have a great deal of pleasure in formally recommending to the House that the second reading of this Budget be now passed.

Question put and passed.

Bill read a second time.

Committee

The Chairman of Committees (Dr Alexander) in the Chair; Mr Parker (Treasurer) in charge of the Bill.

Progress

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

MOTION

Burt Commission on Accountability - Government's Failure to Implement Recommendations

MR COURT (Nedlands - Deputy Leader of the Opposition) [4.33 pm]: I move -

That this House condemns the Government for failing to meet its commitments to implement all the recommendations of the Burt Commission on Accountability and in particular by -

- (a) failing to proclaim the Western Australian Development Corporation section of the Acts Amendment (Accountability) Act in July;
- (b) failing to make public its extensive involvement in Underwater World International and the extensive obligations it has entered into;
- (c) reneging on its commitment to wind up the Western Australian Development Corporation by indicating it is to remain in operation;
- (d) failing to make public the "Golden Handshakes" paid to senior Western Australian Development Corporation executives when they retired this year; and
- (e) failing to make public the salaries that were and are being paid to Western Australian Development Corporation executives.

Furthermore, it calls on the Premier to detail all of the Western Australian Development Corporation's current assets and liabilities and to explain why the Government has made the decision to keep the Western Australian Development Corporation in existence.

The Western Australian Development Corporation has been the centrepiece of the Government's involvement in business activities, and the cornerstone of the main dealings known as "WA Inc". In March of this year the Premier, in his new found rhetoric promoting accountability, said that WADC was to be wound up, ending all investments and equity participation activity by 30 September.

Mr Peter Dowding: What are you quoting from?

Mr COURT: I am quoting from the Premier's Press statement.

We had on the front pages of the Press for weeks stories about WADC's being wound up and the Premier moving to make WADC accountable in this Parliament by introducing accountability legislation. It is interesting that the Government decided when it proclaimed legislation in July that it would leave out WADC and that it would bring it under the legislation in October; while the Government was trying to get its house in order it would leave WADC outside the scope of that legislation. I ask the Premier why he did that.

Mr Peter Dowding: Why do you not read the five words in my statement?

Mr COURT: I will read the whole of the Premier's statement if he likes, but I do not have much time.

Mr Peter Dowding: On this occasion let the people find out how honest the member is on this issue. He is emotionally involved with the WADC; we all know that.

Mr COURT: I am emotional about the WADC's business deals because it goes completely against my political philosophy to have Government involved in business activity the way this Government has been involved.

Mr Peter Dowding: It is because the member said some words about the WADC which he was not able to substantiate.

Mr COURT: If the Premier wants to talk about the WADC taking a defamation suit against me as a member of Parliament which will be heard in court, I ask him whether he thinks it is proper for his department to take action against me as a member of Parliament?

Mr Peter Dowding: It is not a department, and it never has been.

Mr COURT: I will continue inside and outside of this Parliament to say the same things about the operations of the WADC because it is about time members opposite started telling some true stories. I will detail to the Parliament the operations of one of WADC's investments - the Underwater World International operation here at Hillarys and overseas.

Mr Hassell: Do you think the Premier would like to tell us about it?

Mr COURT: The Premier will say that we are the lackeys of Bond Corporation which is feeding us information. It is a disgrace that a member of this corporation has to tell the public what has been going on with public money through the actions of the WADC.

Mr Peter Dowding: Don't you read the papers?

Mr COURT: I am told by the Premier that I should read the newspaper to find out what is happening with taxpayers' funds! One of the points the Burt commission made so clearly was that under a Westminster system of Parliament the Government of the day must be accountable to the Parliament for every dollar of taxpayers' money that it spends. We have a situation in which an organisation has been spending millions of taxpayers' dollars outside the scrutiny of Parliament. Yet, what does the Premier say? He says that we should read about it in the newspaper. That is the new accountability!

Mr Peter Dowding: It is old hat.

Mr COURT: It may be old hat to the Premier, but the public does not know who is ripping them off in this venture. The underwater world project at Hillarys is a development based on a New Zealand model called "Kelly Tarlton Underwater World", which apparently was quite a successful operation. When the original shareholding for the joint venture was put together Western Australian Development Corporation was a 40 per cent partner, a company called Holk was a 35 per cent partner, and another company, Lynlea, was a 25 per cent partner. WADC contributed \$1 million, Holk contributed \$1.45 million and Lynlea contributed \$50 000 only and that basically gave it a free carried interest because it put the project together. Holk, a Laurie Wilson company, was introduced to the project by WADC and Lynlea is a company 100 per cent owned by a Mr McFarlane and a Mr Eathorne. The agreement was signed in September 1986 and in 1987 Holk decided to sell half of its interest to another company called Star Capital which is now in receivership.

The original project was budgeted to cost \$5 million and Interstruct Pty Ltd was to construct the project for a 10.5 per cent fee. The first 50 per cent of the construction cost was paid for out of the original contribution; that is, \$2.5 million because the budgeted cost of the project was to be \$5 million. The balance of the construction fees were to be paid in the proportion of a percentage of their shareholdings.

The actual construction costs blew out from \$5 million to \$8.4 million - a major blowout - and WADC provided loans to the project of up to \$4.9 million. I would have thought that this is information which the Government should have made public because taxpayers' funds are involved. Some \$200 000 was repaid and \$4.7 million - an unsecured loan from WADC - is outstanding.

The local Underwater World-Perth opened on 13 April 1988 and in its first year of operation it made a small profit of \$800 000 and approximately 550 000 people visited it. At this stage the project is performing at a below break-even level and the Underwater World partners have put their business up for sale. That, in a nutshell, is what is happening locally.

It is common knowledge that the Opposition opposes the Government's being involved in business dealings and some members may think the Opposition has made a fuss about this project. It has; the Opposition does not support the Government's involvement in activities of this kind. No doubt when the Government sells out of this project it will have to tell the Parliament what it lost.

Mr Hassell: I would not count on its telling us too much because everything now is either commercially confidential or involves litigation. We cannot find out these things and accountability was short-lived.

Mr COURT: The information I have been given about Underwater World is that it is not appropriate to disclose details of any negotiations which may have taken place in relation to the Sentosa project at this time as such disclosure would detract from the corporation's ability to negotiate the sale in a commercial manner. This story is being used today.

I refer now to Underwater World International because in November 1987 WADC, Holk and Star Capital announced they would form this company to market and develop underwater world type complexes internationally. It is interesting to note that one of the parties which brought the concept to Perth, that is, Lynlea, is not involved in the new company - but it is a joint venture between the parties I mentioned.

In answer to a question on notice today I am told that on 6 June Underwater World became 100 per cent owned by WADC. Therefore, the taxpayers of this State currently own 100 per cent of Underwater World International Pty Ltd. Underwater World International entered into an agreement with Mr Ian Mellsop who has two companies - Sea Structures Ltd and Marinescape - which provided some of the design expertise and equipment at Hillarys.

His tender to build an Underwater World on Sentosa Island at Singapore, which is known to many members, was successful. He had to pay \$250 000 for that right. When he signed his original agreement with Underwater World International he received a signing-on fee of \$500 000.

Mr Hassell: Who received that?

Mr COURT: Mr Mellsop. He put forward an agreement whereby if he offered a project to Underwater World International and it was accepted it would pay his overheads at an agreed monthly figure of approximately \$60 000, plus disbursements including international air travel and accommodation. He would receive a 20 per cent free carried interest in the project and he would have the right to sell key products such as the acrylic tunnel. This agreement has been renegotiated several times. Since 1988 he has had his overheads paid ranging from between \$30 000 and \$65 000 per month. Consulting fees for the Sentosa project were also paid. In addition to the original \$500 000 signing-on fee for the Sentosa Island project, Mr Mellsop has been paid between \$300 000 and \$400 000 - I cannot be precise on that amount. All in all, a large sum of money has been paid out and it would be proper if the people of Western Australia knew the details of the agreement and where the millions of dollars pouring out of the system have been going.

Mr Peter Dowding: It is not true that there are millions of dollars pouring out of the system.

Mr COURT: The Government has poured millions of dollars into one project. It is important that we get the facts right.

An answer given by the Leader of the House in the Legislative Council, representing the Premier, to a question asked by Hon Phil Pental states that Underwater World International Pty Ltd has advanced loans to the Sentosa project which total \$4 135 000 as at 31 July 1989. I said millions of dollars and I mean millions of dollars. That money has gone out on this project.

When Mr Mellsop won the tender for the Sentosa Development Corporation - the Singapore Government - he had to be a majority owner of that project while it was being built. Therefore, the structure of the arrangement is that Mr Mellsop owns 51 per cent and Underwater World International owns 49 per cent. However, Underwater World International takes all the risks and it has an option to buy out Mr Mellsop's shares for \$1 when the project is completed.

Mr Hassell: Is this another petrochemical project?

Mr COURT: Very much so.

Underwater World International could end up owning the entire project after buying Mr Mellsop's 51 per cent interest in it for \$1.

WADC tried to arrange for a third party to take it out of this deal when it was completed. It dealt through Rothschilds in Singapore and arranged for a Singapore construction company, Lum Chang, to buy a 60 per cent interest, on completion, for \$S14 million. By selling 60 per cent for \$S14 million Underwater World International would theoretically have a 40 per cent free, carried ride because at the time the project was to cost \$S14 million to build. It was a deal which a developer would put together and a third party would be found to buy it out and pay for the construction costs. They would end up owning a 40 per cent interest in the project for nothing.

The project was put out for tender, but apparently Lum Chang was not the lowest tenderer. It was given the opportunity to resubmit its price and eventually won the tender to build the project. It so happens that it was able to get out of the original deal whereby it paid \$S14 million for 60 per cent because the deal was being negotiated at a time when a lot of infighting was taking place between WADC and the other shareholders in UWI. It should be remembered that one of those companies was about to go, or had gone, into receivership. The price of that project escalated and it will now cost between \$S25 million and \$S30 million; that is, between \$A18 million and \$A20 million.

Mr Peter Dowding: What is your evidence?

Mr COURT: It is the budget for the project from the people carrying out the construction work and it is itemised in detail.

Mr Peter Dowding: What is the date of it?

Mr COURT: The date is 14 June 1989.

Mr Peter Dowding: That is for \$A13.7 million?

Mr COURT: The latest estimate for the project is that it will cost WADC in total \$A20 million to complete it. That is equivalent to \$S30 million. The construction of the project has been delayed for some time. I am told that it was due to commence a year ago. Mr Mellsop has been paid large fees for his involvement in the project, which includes the overhead figures referred to.

The Hillarys project, which was to cost \$5 million, finally cost \$8.4 million. The project in Singapore is already estimated to cost more than \$A16 million. The construction has just started on the Singapore project, yet the Government has paid \$4 million and has nothing to show for it at present. Will the Premier ask what proof I have that there is nothing to show for it? Does the Premier accede that that is the case?

Mr Peter Dowding: Go on.

Mr COURT: Two months ago I took photographs of the project and, with your permission Mr Speaker, I will hand them around the Chamber for members to see. It is a vacant block of land with a sign on it - a trick to which this State has become accustomed. The cost of this project has blown out to more than double the cost of the Hillarys project, and the project in Singapore is very similar to that at Hillarys. It is the same Underwater World concept except that the Singapore project is smaller. I will refer to the costing of one of the items: The acrylic tunnel at Hillarys is 98 metres long and it cost \$630 000; the tunnel in the Sentosa Island development is 75 metres long and it will cost \$A1.3 million. In other words, the shorter tunnel will cost double the amount of the longer tunnel. We have been told that construction costs in Singapore will be lower because labour rates are lower. Therefore, if anything, that project should be constructed for less than it cost in Western Australia. How many times have we been told that projects can be built more cheaply in Singapore? The people in Singapore must have seen WADC coming, because the project will cost double the amount it cost to build in Western Australia.

I am most concerned about why the Western Australian Government is funding the construction of a major tourist development in Singapore. The Budget refers to money being spent on schools, hospitals, the Police Force and other worthwhile causes. If the Government intended to put its efforts and money anywhere in the tourist industry, I would have expected it to do so in Western Australia. It must be the first time in history that a State Government has committed itself to spending millions of dollars to build a tourist development in another country. I find it unbelievable. The people of Singapore have a very sophisticated tourism industry which is very well conducted, and they could teach us a thing or two. There is no need for taxpayers' money in this State to be spent on developing another tourist attraction in Singapore.

My other concern is that the Government has placed the Chairman of the Tourism Commission in charge of Underwater World International to promote the development of these projects overseas.

Mr Peter Dowding: You are denigrating somebody who works very hard for Western Australia. You are denigrating John Osborn.

Mr COURT: I make it very clear that I am not denigrating John Osborn. He does a very good job in the Tourism Commission. I said that the Government had put the Chairman of the Tourism Commission into a position where he is promoting tourism in another country. It does not apply only to Singapore; the agreement with Mr Mellsop involves the development of these Underwater World projects internationally. They have people travelling around finding sites for these developments.

Mr Peter Dowding: Who?

Mr COURT: Underwater World International. I have discovered that UWI has the following employees: The current chairman, John Osborn, Jeff Ovens, Rodney Popham, three permanent employees and one on secondment. Rodney Popham is the managing director and Rick Dunn is company secretary.

Mr Peter Dowding: I supplied that information. You said they were going around the world looking for sites.

Mr COURT: They have been doing that.

Mr Peter Dowding: You said they were doing it now.

Mr COURT: Mr Mellsop finds the sites, and UWI looks at the sites to see whether they are suitable.

Mr Peter Dowding: You have been caught out again.

Mr COURT: I said they have been travelling around the world looking for sites for Underwater World projects. Not only are they working in Singapore but now they also want to go to other countries. They cannot make a go of the operation in Perth, and they are in a big mess in Singapore. The Premier told us in March that the Western Australian Development Corporation would be wound back in its operations; and after he said that, he bought another 50 per cent and poured more money into Underwater World International. How can we believe the Premier?

Mr Peter Dowding: Because what I said on the day is correct.

Mr COURT: The Premier has been building up an empire through Underwater World International. If he wants to get into an organisation which will enable him to go tripping around the world, he should become an employee of Underwater World International, because it is going to step up its operations in other parts of the world.

Mr Peter Dowding: What is your evidence of that?

Mr COURT: It is part of the agreement.

Mr Peter Dowding: What is your evidence for that assertion?

Mr COURT: Because in the Premier's original agreement, which is stated in answer to one of the questions -

Mr Peter Dowding: What is your evidence? You have made the assertion; prove it.

Mr COURT: My evidence is that they are travelling the world; they have been travelling the world.

Mr Peter Dowding: Who is travelling the world now, setting up sites for Underwater World?

Mr COURT: For a start, Mr Mellsop has been finding sites; and Mr Osborn and Mr Dunn have been looking at sites.

Mr Peter Dowding: You said that is what they are doing now. I asked, "Who is doing it now?"

Mr COURT: The Premier is a little twister.

Mr Peter Dowding: He makes the assertion, but he cannot establish it.

Mr Shave: In these expensive costs that you are talking about, are there any consultancy fees?

Mr COURT: I have mentioned them. The fees paid out already amount to more than \$1 million, and one of the people is being paid something like \$60 000 a month to cover his overheads, plus outgoings.

Mr Peter Dowding: Who are the people travelling around now on that business?

Mr COURT: The Premier is on a really major point here. I said to the House that people have been travelling around the world, looking at future sites. He asked, "Who is travelling right now?" I would not have a clue who is travelling right now.

Mr Peter Dowding: What is your evidence that they are doing it now?

Mr COURT: There have been a lot of people travelling around, looking at these sites. The Premier said the WADC would cease making investments. That is wrong. It has increased its investment in this project. We will see, when the cover is stripped away from this particular deal, individuals doing very well out of this operation. There are people who have been able to sell to the Government the idea that the project in Singapore will cost double what it cost to establish here - when here it cost nearly double what it was meant to cost -

and they are doing pretty well. If one pays out \$4 million, and all one has to show for it is an empty block of land, someone has been doing pretty well out of the system.

I want to go back to the original point. All of this has been done in secrecy.

Mr Peter Dowding: What a load of nonsense.

Mr COURT: How can we have known about it? All of this has been done outside the scrutiny of this Parliament. The Premier, in answer to questions asked yesterday, is still refusing to tell us what are the agreements which the Government has in place. Do we have to battle away for the next three months until eventually the Premier is forced to table all the agreements? Do we have to go through that in this Parliament before we will know how the taxpayers of this State will have their money spent? It is all very well to say we will do this and that with the WADC's money, but we cannot believe the Premier any more. We cannot believe that he will be more accountable.

Mr Peter Dowding: Of course you can; I have demonstrated it.

Mr COURT: I have proved here tonight that since the Premier made his statement in March, he has expanded his interest in this project, and he is still failing to tell us the details of it. I say to all those people in this House who represent communities which have a genuine interest in tourism - it might be in the south west of the State, at Exmouth, Broome, or in Perth itself - that they must be appalled to know that this Government is using taxpayers' funds to build a major tourist development in Singapore; a development which has gone wrong. This project was going to be one of these foolproof deals, and the taxpayers were going to pick up a big profit. Well, before they have even started building it, the deal has fallen to bits, but the Government is still locked into its commitment, so it still has to find the money to build the project.

Mr Peter Dowding: The Government does not have to find the money at all.

Mr COURT: Who will find it?

Mr Peter Dowding: You know the Government does not have to find it. The WADC has sold 80 per cent of its asset. It will make a return to the community this year. It has made profits this year.

Mr COURT: When we first started attacking the WADC, when it first came into operation, we were very critical of the deals it was doing. It was the same with Exim. The Premier said the WADC will go. He has now convinced us that it is not going to go.

Mr Peter Dowding: You misled the House when you read out my statement and left out five words of a sentence.

Mr COURT: I have a file an inch thick, which states the number of times that the Premier has been reported in the Press - and he has never denied this - as saying that the WADC will be wound up. We have learnt tonight that the WADC will not be wound up.

Mr Peter Dowding: Read out the sentence which you read only half of!

Mr COURT: I can read out 100 occasions where the Premier has said the WADC will be wound up; but the Premier wins; the WADC will not be wound up.

This motion covers a number of areas. It covers the question of the Government's accountability, and whether it was ever genuinely going to do something about making the WADC more accountable. That has proved to be a nonsense, and my colleagues will talk about the scandal in respect of the Premier's still refusing to give details of the golden handshake -

Mr Peter Dowding: The scandal!

Mr COURT: Does not the Premier think it is a scandal? He can laugh at it, but I think that it is a bit over the top for any employee of this State to be paid \$3 million for five years' work. Does the Premier think that is a fair wage?

Mr Peter Dowding: I do not think it is a fair wage at all.

Mr COURT: Why does not the Premier have the decency to tell the taxpayers of this State what the deal was?

Mr Peter Dowding: It is not a wage, as you know perfectly well.

Mr COURT: I urge the House to support this motion; and in respect of the details I have outlined about Underwater World and Underwater World International, it is about time the Premier stopped hiding under this veil of secrecy. It is a scandal that I have had to get up in this House to tell the public what is going on with that operation. It is about time that instead of people having to listen to the Opposition's disclosing these things, or having to read about it in the media, the Government did the proper thing and made these details public.

MR HASSELL (Cottesloe) [5.08 pm]: I second the motion moved by the Deputy Leader of the Opposition. Perhaps while we are asking the Premier about what is a fair wage, he could tell us if he really believes that an \$800 000 payout to Mr John Horgan is a fair payout?

Mr Peter Dowding: The payout to Mr Horgan was made on the advice of the board of the day, as being the legally proper thing for them to do. I accepted that advice.

Mr HASSELL: If the Premier of this State is bound by the advice he receives, then let us get rid of the Premier and put the advisers into office. Advisers are there to give advice, and Premiers are there to make decisions. That is just a cop-out. Why does the Premier not tell us if an \$800 000 payout to Mr Horgan is a fair thing to the taxpayers of Western Australia?

Mr Peter Dowding: First, it was not a payout to Mr Horgan. Second, I have told you that the advice from the board -

Mr HASSELL: Who got the \$800 000 payout?

Mr Peter Dowding: The advice of the board -

Mr HASSELL: Who got it if it was not Mr Horgan?

Mr Peter Dowding: The advice of the board -

The SPEAKER: Order! Just a minute. It just becomes impossible to take this down in some meaningful sort of way. I am happy for there to be this exchange between the member for Cottesloe and the Premier, but if there is to be an exchange, the member needs to ask the question and wait for the reply and then go on with his speech. If that cannot take place or if he is not happy with that, he should address me and ignore the interjections and they will not occur again; but he cannot have it both ways - or, indeed, three ways.

Mr HASSELL: Thank you, Mr Speaker. I suppose we cannot expect a reply, but let us put it on record and make it clear that the Premier was asked the simple question: Was the \$800 000 payout to Mr Horgan a fair thing to the taxpayers of Western Australia? That is the question that the Premier obviously will not answer. The Premier of this State, who gave a clear commitment to be accountable prior to the election, who announced that his would be the most accountable Government ever, allowed a secret deal to be made with John Horgan for an \$800 000 payout, but his response to the question of whether it was a fair thing to pay out \$800 000 to Mr Horgan is to say two things: Firstly, the payout was not to John Horgan. So I ask the Premier, to whom was it made? And there is no answer to that question.

Well, that is just a technicality. I will answer the question. The payout was to John Horgan or his private companies, where he was employed on some consultancy basis to minimise his tax. I do not mind John Horgan's minimising his tax. He probably has a lot to minimise, considering the amount he was getting out of Western Australian Development Corporation for a very long period. The fact is that John Horgan received - from WADC and Exim, and from GoldCorp, and a bit from Qantas as well because he was on the board of Qantas - what was it? Millions? Was it \$3 million in signing-on fees?

Mr Court: Not \$3 million. I would have to check.

Mr HASSELL: It was more than \$1 million; but that was in 1988 - last year. In 1988 John Horgan, having been paid a very substantial amount by way of director's fees as the chief of WADC, and having been paid a very substantial amount by way of salary from WADC over a period of years, reached the end of his contracts and, with the departure of Premier Burke, saw that perhaps the road would not be so smooth in the future. It was all right while Brian Burke was there, because he was a close friend of John Horgan's.

Mr Peter Dowding: John Horgan used to be a supporter of the Liberal Party.

Mr HASSELL: I am not saying there is anything wrong with his being a close friend of

Brian Burke's. Anyone can be a close friend of Brian Burke's, but the point I am making is that while Brian Burke was the Premier of this State John Horgan did not feel the need to have any specially drawn up contracts in relation to WADC. He did not have any special contracts, he was just employed there and was getting all these big fees, which frankly were outrageous, but they were said to be comparable to what was happening in the private sector and appropriate if we wanted to have private sector people doing a private sector operation - as WADC was portrayed to be; although it was not in fact, because it was simply, in the main, dealing with Government assets and its risks were Government guaranteed so it was hardly comparable to the private sector. However, in reality John Horgan was going along very nicely until the time came for Brian Burke to resign as Premier.

Then Horgan did a deal with Brian Burke to get these signing-on fees under five year contracts, these very substantial signing-on fees, exceeding \$1 million if my memory is right - and I am pretty sure it is; I thought it was more than that but I could be shown to be wrong about those figures. However, they were very substantial signing-on fees. Members should not think that those huge signing-on fees in 1988 - last year - were in place of his director's fees and salary; they were all in addition to those payments. That agreement was made with Premier Brian Burke before he departed, but the formalities were not concluded until the new Premier, present Premier Dowding, had taken over; and the present Premier was not too pleased about it. Nevertheless, he was required to give his approval to those contracts and he did give his approval, in writing, and that was exposed in this House last year. So, having had those huge amounts in 1988, in 1989, when the Premier had his great change of heart about WADC, John Horgan decided to go.

Mr Peter Dowding: Someone has just reminded me where the legal advice came from of which you were so critical. You said if I should rely on advisers perhaps the advisers ought to be here. Do you know who some of the advice was from? It was from that well known firm of Parker & Parker.

Mr HASSELL: So what?

Mr Peter Dowding: I just thought I would throw that into the ring.

Mr HASSELL: Mr Speaker, the Premier is misleading the House because earlier he told us the advice came from the board of WADC.

Mr Peter Dowding: And I said legal advice.

Mr HASSELL: He did not say anything about Parker & Parker. He said the advice came from the board of WADC.

Several members interjected.

The SPEAKER: Order!

Mr HASSELL: That is what he said, Mr Speaker, only 10 minutes ago, and he cannot remember. People who practise as many pork pies as does this Premier have difficulty with memory because eventually it always catches up with them. I cannot imagine why the Premier should think it causes me the slightest embarrassment that he got some legal advice from Parker & Parker. What is the basis of this assertion that some legal advice should come from Parker & Parker? What is so funny? This Premier is just pathetic.

Mr Peter Dowding: Perhaps you want to criticise them.

Mr HASSELL: No. What I am saying, very simply, is this: This Premier in 1988, reportedly reluctantly, approved the huge payouts to John Horgan in the form of signing-on fees; the same Premier, nine or 10 months later, in 1989, approved a payout of \$800 000 to John Horgan and, secondly, approved an agreement that required that that payout be kept secret.

Mr MacKinnon: He was probably acting on advice in relation to that.

Mr HASSELL: Yes, I suppose he was acting on advice. This Premier, who appointed the Burt commission for his own political purposes prior to the election, who gave a cast-iron guarantee before the election that he would be accountable and would implement every aspect of the Burt commission report, will not now give a proper answer in this Parliament on the payout to John Horgan from WADC.

Mr Court: And other executives.

Mr HASSELL: And other executives. I find it an amazing thing that it is a matter of public record what the members of this Parliament are paid, what senior civil servants are paid, what all sorts of people in public life are paid, but John Horgan and the friends of this Government are exempted from that requirement. And why are they exempted?

Mr Peter Dowding: Because they were given clear understandings that the laws of accountability which govern their operations would be the laws which govern the accountability of all public companies and that is the same law that governs the brothers and sisters, the uncles and cousins of people sitting opposite. That is the undertaking those people were given - the same public accountability rules as apply to public companies.

Mr HASSELL: The Premier said prior to the election, "I will be the most accountable Premier ever seen."

Mr Peter Dowding: When did I say that?

Mr HASSELL: I do not have the quotation with me.

Mr Peter Dowding: You made it up on the spur of the moment.

Mr HASSELL: No. Does the Premier say that I did?

Mr Peter Dowding: Tell me when I said that.

Mr HASSELL: I can tell the Premier roughly what the terms were. Some time in January the Premier said that the Government would be the most accountable Government ever. Is that right?

Mr Peter Dowding: It is a fair description of what we are.

Mr HASSELL: Can the Premier say why, in answer to question 741 on Thursday, 7 September, he said that the confidentiality of Mr Horgan's payout was contained in the deed of settlement which was drawn up by the corporation's solicitors, Parker & Parker? In answer to the same question, the Premier said that he accepted and agreed to, in writing, the payout to Mr Horgan. Is the Premier the former Treasurer or not? Is he a puppet of the board of Western Australian Development Corporation? If the Premier was committed to accountability, could he then not have said to the board of WADC and to Mr Horgan, "This payout will be approved only on the basis that it be published", because the payout was not part of the ongoing arrangements with Mr Horgan, or subject to any prior arrangement.

Mr Peter Dowding: It was the basis on which he had taken the employment.

Mr HASSELL: The payout was a new arrangement negotiated by Mr Horgan with this Government at a time when this Government had announced that WADC would be wound up. There was no obligation on the Premier to keep quiet, except for his own political purposes, and his incapacity to fulfil his own commitments.

Mr Peter Dowding: Not true.

Mr HASSELL: The truth is that the Premier is still running WADC, just as he is still running WA Inc. The payout to John Horgan was absolutely scandalous.

When the Premier was given the opportunity at the commencement of my remarks to say whether he thought the payout was a fair thing, after the millions of dollars, or whatever, paid in 1988, he would not answer the question. He did not answer because he does not think it is a fair thing; he does not think that he can justify the payout as a fair thing. The fact is that Brian Burke was ringing the Premier from Ireland, every second hour of the day, saying that the Premier would have to look after John Horgan. How many discussions has the Premier had with Brian Burke about this matter?

Mr Peter Dowding: Which matter?

Mr HASSELL: About Horgan and about the wind-up of WADC.

Mr Peter Dowding: None.

Mr HASSELL: Is the Premier sure?

Mr Peter Dowding: Yes.

Mr HASSELL: Good on you. I believe the Premier.

Mr Peter Dowding: There you are. The member for Cottesloe makes an assertion of fact -

Mr HASSELL: I believe the Premier.

Mr Peter Dowding: - and he simply has no evidence to support it; that is typical of what he does.

Mr HASSELL: The Premier made an assertion on his policy stance that this Government would be accountable. We see repeated evidence in this Parliament that the Government is not accountable. First, the WADC still exists. I asked the Premier the other day what legislative changes would be brought about to confine the role of WADC even to the functions that it was said to have, such as in relation to LandCorp and EventsCorp. There is no legislation or restriction. The piece of legislation which was put through for one purpose relates to the Northern Mining Corporation which was turned into WA Government Holdings Ltd, and other things flowed from that. As long as WADC exists, it will be used for any purpose the Government desires.

Mr Peter Dowding: If WADC finalises its current investment in Sentosa at a profit, will the member for Cottesloe eat his words?

Mr HASSELL: What has that to do with anything?

Mr Peter Dowding: WADC is halfway through an investment.

Mr HASSELL: Which investment?

Mr Peter Dowding: The Sentosa investment. I have made a major policy change which states that WADC will not be involved in any more investments. But should the Sentosa investment show a profit, will the member eat his words?

Mr HASSELL: Which words?

Mr Peter Dowding: Will the member for Cottesloe eat his speech?

Mr HASSELL: I have not mentioned Sentosa.

Mr Peter Dowding: The member will eat his words. He should try a light edition of *Hansard*.

Mr HASSELL: I am not backing away from anything. Why does not the Premier tell the House if this is correct? Why does the Premier not produce evidence that the investment in Sentosa has not been increased?

Mr Peter Dowding: Of course it has been increased.

Mr Court: That goes completely against the Premier's word.

Mr Peter Dowding: Just because the Deputy Leader of the Opposition chooses to misquote me, that does not mean that is true.

Several members interjected.

The SPEAKER: Order!

Mr HASSELL: The Premier grabs a week of headlines with statements such as, "WADC will be wound up"; in introducing legislation he tells the House that the investments will be wound down, but he now admits that the Government has increased the investment in the Sentosa project. The Government cannot have it both ways. Was a public announcement made about the increased investment in Sentosa?

Mr Peter Dowding: It is a matter for the board.

Mr HASSELL: It is a matter for the board. But, Mr Speaker, the Premier introduced legislation in this House stating that the WADC should be accountable. The Premier made a big deal about the accountability legislation which says that no provision of the Western Australian Development Corporation Act should prevent a Minister carrying out his public responsibilities.

Mr Shave: What about the White Paper?

Mr HASSELL: We do not get any papers from this Government except the ones which fall off trucks. We will not get anything out of the Government because it is still treading the path of secrecy, the path of devious dealings.

Why did the Premier not announce that the Government had increased its investment in the Sentosa project? The Premier says that is because it was a matter for the board, but a few months ago he said the opposite. At that time he said that he would introduce the Acts Amendment (Accountability) Bill which would make bodies such as WADC accountable to Parliament and to the public through the Minister. Is WADC operating in the same way? Does the Premier not want to tell the public what is going on? What are the Government's plans? Will legislation be introduced to take WADC out of existence, even if the legislation goes against the ideology of the Premier that he retain WADC for the purpose of running EventsCorp and LandCorp? When will we hear an announcement that no more investments will be made by WADC without the approval of Parliament? When will that restriction be announced?

We have the classic example of Northern Mining Corporation. The Premier of the day, Mr Burke, came to this House and said he wanted statutory authority to purchase an interest in Argyle Diamonds; that is, Northern Mining Corporation. The House gave authority for that. Provisions in that Act allowed guarantees to be given - everybody was talking about Northern Mining, and the diamonds. Five years later that same company is involved up to its neck in the petrochemical project. The House was never told that would happen. The Premier expects us to believe he is winding up WADC, when he is not.

It will be forever more like a time bomb. The Government will be able to change its mind next week, next month or next year as the Minister for Planning did over the Mosman Bay tearooms and produce another investment program with another board. This is a total disaster. Every day, this Government's integrity goes further down the drain.

[Leave granted for speech to be continued.]

Debate thus adjourned.

[Questions without notice taken.]

MEMBERS OF PARLIAMENT - PRESENTATION

Underfed People

THE SPEAKER (Mr Barnett): Order! I remind members that a presentation is to be made to all members this evening in respect of the chronically underfed people of the world. The presentation is still to be held at 6.45 this evening but the venue has been changed to the television room.

Sitting suspended from 6.03 to 7.30 pm

MOTION

Burt Commission on Accountability - Government's Failure to Implement Recommendations

Debate resumed from an earlier stage of the sitting.

MR HASSELL (Cottesloe) [7.30 pm]: In dealing with the issue of the future of the Western Australian Development Corporation, it is interesting to look back just a few months to when the Premier was still gung-ho about the WADC. In October 1988 he released its annual report and he spoke about how well the WADC was doing and how essential it was. On page 2 of that release he said -

"Fortunately, both the Government and the National Party are committed to ensuring WADC can continue to operate for the benefit of all Western Australians.

"The Liberal Party, which is committed to the abolition of WADC, should explain how they would replace the revenue raised each year by the corporation," Mr Dowding said.

When the Premier speaks shortly, it will be interesting to learn how the Government will replace the revenue which the Premier claims the WADC was producing. However, I want to go on with the question of accountability in relation to the WADC because there is another important point. For many months I have pursued the matter of the WADC's dealings with McLean Brothers & Rigg, a company which became involved with the WADC. In *The*

Australian Financial Review of 21 October 1988, under a heading, "Flawed stones in a tarnished crown" and under the subheading, "WADC takes centre stage" the dealings of McLean Brothers & Rigg are neatly summarised as follows -

Early in 1986 WADC went guarantor for a \$3 million loan from the Australia Bank to McLean Bros and Rigg, which was borrowing funds to buy a sports and leisure business, Burley Sekem.

By April 1987, Roy Annear was in financial difficulties - believed to be caused through foreign exchange dealings - and the WADC's guarantee was shown as a \$3.1 million contingent liability in its 1986-87 annual report.

Early this year the WADC paid a sum into a bank or trust account, jointly administered by the Australia Bank and itself, while attempts were made to restructure the deal.

Part of that restructuring process is believed to involve the Australia Bank agreeing to lend Mr Annear \$900,000 so he can buy back the WADC's 16.6 per cent stake - a loss to the corporation of about \$590,000.

This allows the bank to get hold of the assets of McLean Brothers and Rigg to try to reduce its loss.

It goes on about a call back agreement. For a long time I have been trying to get the annual returns of McLean Brothers & Rigg to see what was actually done with the WADC, which was a significant shareholder in McLean Brothers & Rigg. However, despite repeated attempts to get the annual returns, the situation is, as of no more than a couple of weeks ago, that no annual returns of McLean Brothers & Rigg, this WADC company, have been lodged since 1986. When I say "WADC company", I emphasise it is a company in which the WADC had a significant shareholding. I think it was about 16 per cent at one stage.

Mr Peter Dowding: It was 16 per cent.

Mr HASSELL: Is that not a significant amount?

Mr Pearce: You have the capacity to make "significant shareholding" sound like it is 89.5 per cent.

Mr HASSELL: The point is that this company received the benefit of a lot of taxpayers' money. The Premier can muck around about share percentages.

Mr Peter Dowding: I did not muck around about them. I just want to get on the record that you are talking about 16 per cent.

Mr HASSELL: The Premier's colleague did.

I have pursued this annual return repeatedly, and have constantly asked the Corporate Affairs Office whether it was there. I received a complaint from another company about the pressures and prosecutions to which it was subjected because of its failure, by oversight, to lodge a return, and I wrote a letter to the commissioner seeking advice on behalf of the other company. I included this paragraph in my letter to the commissioner on 16 August -

As you know I have for some time been trying to obtain the annual returns from your office in respect of McLean Bros & Rigg - a company which became closely associated with WA Inc through its involvement with WADC. At my latest enquiry a few weeks ago no annual return had been filed since 1986. I certainly hope that there is the same vigorous application of the law and penalty to that company as there has been to Mr . . . and his company, if that is the policy adopted by your office.

The Commissioner for Corporate Affairs replied in these terms concerning McLean Brothers & Rigg - and I am glad he indicated that the same rules applied to everyone -

In so far as McLean Brothers and Rigg Pty Ltd is concerned, please note that, following the failure of any other attempt to get the Annual Return lodged, the company's secretary was convicted on 4 August, 1989. The Annual Return has still not been lodged and the Department will, in accordance with normal practice, continue to pursue the matter through the Courts.

Our recent experience is that the Courts have started to take a strong line in respect to continuing offences of this nature.

The letter is signed "Yours faithfully" by the Commissioner of Corporation Affairs; the letter is dated 25 August.

All of those things relate to the question of accountability and the dealings of WADC and the question of the loss of taxpayers' money. Clearly, there was a big loss, but all we heard from the Premier and his predecessor was from the annual report of WADC and LandCorp because some of the dealings involved land here and there.

Mr Pearce: It made a lot of money that went into schools and hospitals and a tremendous number of State facilities.

Mr HASSELL: There were certainly profits made by WADC, but the very great proportion of profits were made by doing transactions with Government land which anybody could have done and made an equal profit. What happened with the Perth Technical College site, and all the rest of them? It was a scandal and simply a rort in terms of producing profit figures. What happened was that WADC got the land from the Government at the Valuer General's valuation and on-sold it in a different market situation; this set up a deal here and there in which anybody could make money. Naturally, because the Valuer General is a conservative person in giving his valuation - as he should be - a contrived profit situation was created so that Mr Burke, the then Premier, and the present Premier could come out each year and say that WADC had made all this money. One thing is for sure, Mr Speaker, it was never independent despite the statutory provisions which were thrown in our faces many times because of the workings of the Government. Of course, John Horgan came out politically on a number of occasions and received many benefits which have not been disclosed. When it is all summed up, we have a development corporation which was the centrepiece of WA Inc and the Premier said he would get rid of it; he has not got rid of it. In the light of the Premier's failure to do what he said, it has not been accountable. Even in recent months the Premier has been directly involved in covering up the payments to John Horgan - the very amounts of which are scandalous, and the Premier knows them to be scandalous.

MR PETER DOWDING (Maylands - Premier) [7.43 pm]: Consistency has never been one of the Opposition's strong points. It is extraordinary for the Opposition to be berating WADC for making profits and to be alleging that anybody could have made these profits out of the land sales. This is a motion that is the centrepiece of the profits made by WADC as it exports some technology that was developed here in Western Australia -

Mr Court: It was developed in New Zealand.

Mr PETER DOWDING: - with some success, and sold overseas. The Opposition, in looking for some consistency, is criticising the sales by saying that the WADC is putting something up in competition in Singapore to what we have here in Western Australia. How many international visitors determine whether they will go to Singapore or Perth on the basis that Perth has the Hillarys boat harbour in place with an Underwater World? What a load of nonsense. To suggest that if an underwater world is in Singapore and a couple of Japan that that will have an influence on the tourist industry in Western Australia is a lot of rubbish.

Let us get back to what this debate is about. It is about WADC having made a decision to invest in the transfer of some technology in relation to which it is in a position to make some money.

Mr Court: There was no technology. It has been disputed in the courts.

Mr PETER DOWDING: Perhaps it has been disputed in the court, or perhaps it has not.

Mr Court: It was in a New Zealand court.

Mr PETER DOWDING: When I was in Japan there was a huge amount of interest in technology -

Mr MacKinnon: In koala bears.

Mr PETER DOWDING: Yes, and in koala bears, but mainly in the technology of Underwater World. The people from Hyogo Prefecture were very impressed and judging from their propensity for tourists in Japan, particularly domestically with leisure seekers, a centre like Underwater World would be a huge success wherever it was established. I came back from Japan urging the boat industry to get into marinas, and I am surprised the Opposition did not get stuck into me because we suggested the export of some technology,

but it was not new in the sense that Noah and his Ark used the same technology. I have been told, and I have no independent way of knowing it, that the Deputy Leader of the Opposition may have misled the community by producing a photograph. He produced a photograph tonight suggesting that there was absolutely nothing on the block in Sentosa except a sign. I tell the House that I have a photograph of substantial earth work and other constructions amounting, I am informed, to over 25 per cent of the project. Tomorrow I will have these photographs printed which will demonstrate to the Deputy Leader of the Opposition that he has actually gone a bit too far. These two photographs were taken, I am informed, on 17 August and 22 July, and both show clearly substantial work. What an embarrassment for the Deputy Leader of the Opposition!

Mr Court: I have a photograph of a vacant block of land, the sign could be worth \$4 million.

Mr PETER DOWDING: I think he doth protest too much. The fact is that the Deputy Leader of the Opposition has been caught out.

Mr Court: I do not think I got caught out at all.

Mr PETER DOWDING: He has been caught out because he is the one who produced a photograph which implied an incorrect position. He says that and decries the WADC because there is nothing there but a sign and a block of land. I am saying that the member is not telling the truth.

Mr Pearce: We produced an Underwater World, you produced the bottom of the harbour.

Mr PETER DOWDING: That is very good.

In the cut and thrust of Parliament we have a lot of fun here and the Opposition takes the view that it is allowed to try to mislead the community as it did at question time last night, and as the member for Kingsley tried to do tonight. The Opposition misled the community by making outrageous allegations. Anybody who was listening to the debate between 4.30 and 5.30 pm would have been left with nothing but the view that Sentosa had nothing but a block of land and a sign. The Deputy Leader of the Opposition has been found out. Going further, I do not come here to defend the performance of WADC with a view to maintaining its operations, because I have said publicly and repeatedly that it will go. It is a pity that the Deputy Leader of the Opposition did not have the honesty to quote me in full in a Press release to which he referred.

I do not renege from what I said on that occasion. The Western Australian Development Corporation will produce figures which I hope will be available tomorrow, demonstrating a profit for the financial year of \$19.2 million; the second highest in the corporation's five years of operations. A dividend of \$17.4 million will be paid to the State Government. The cumulative dividend paid to the State Government from WADC will return to the State nearly \$45 million. In the previous financial year WADC made a \$10.7 million profit, of which \$4.3 million was returned directly to taxpayers. It was set up with a capital of only \$15 million.

I know the Leader of the Opposition finds these complex sorts of debates difficult but I am not here to defend the continuing role of the WADC as it had been structured, because as I have said repeatedly, that will not be the case. Since I made the announcement on 30 March 1989 the Deputy Leader of the Opposition said - and I will read out what he started to read out, and he stopped short of completing the sentence - that I said in my comments, "The corporation is to end all investment and equity participation activity by September."

Mr Court: No, 30 September.

Mr PETER DOWDING: I am sorry, 30 September. In the same sentence I went on to say, "subject to normal commercial requirements".

Mr Court: There is nothing normal about your commercial dealings, nothing normal at all. If it were subject to normal commercial requirements, you wouldn't even be in the project.

Mr PETER DOWDING: Those few words are so irrelevant that the Deputy Leader of the Opposition could not even bring himself to quote them even though I taunted and asked him to read out the rest of the statement. He could not spit out the last five words of that sentence because he wanted to create the impression, before the debate was completed, that I had given a commitment to ensure there was no activity at all after 30 September. He wanted to give the impression that I was under an obligation to incur huge losses irrespective of the

commerciality of those losses. That was not the case and it was not what I said publicly. I am sorry that the Deputy Leader of the Opposition did not have the frankness to inform this House of the statement I made at the time which made it clear that we were not going to conduct a fire sale of assets simply to meet an artificial deadline.

As the Minister responsible since that time I have seen that the WADC embarks on an asset sale. The board has informed me that it has now disposed of 80 per cent of its assets which have realised about \$40 million. The rest of the assets are expected to be sold by the end of December and should realise another \$14 million or so. Major staff reductions have been made since my announcement and the size of the board has been reduced to five. I anticipate that the WADC offices will be formally closed during October and that the balance of the operations of WADC, which will essentially be the completion of the wind down by the smaller board, will continue without the need for executive staff. LandCorp and EventsCorp will operate from their own offices and the WADC board will simply meet in an appropriate boardroom which will be made available for them. That is the commitment I made; that is the commitment adhered to and that is the commitment that is on public record.

Mr Court: You told the media it was going to be wound up.

Mr PETER DOWDING: Nothing would be dearer to the hearts of Opposition members than for me to force WADC into a fire sale of assets so that they could gloat with all the glee they could muster over losses that the WADC had incurred. In May this year the Opposition was attacking the Sentosa project. It was denigrating the work of the WADC and it is interesting that at the time it mounted exactly the same ludicrous arguments about some conflict of interests between the Australian tourist industry and the Singaporean tourist industry in relation to Western Australia making something of exporting services, ideas, intellectual property and technical know-how.

Mr Court: If that's the case, why is it all coming from New Zealand?

Mr PETER DOWDING: There is no secret of the fact -

Mr Court: It is all coming from New Zealand.

Mr PETER DOWDING: Hang on, the WADC stood to make a major profit and it is irrelevant whether it came from New Zealand or Mikimoto.

Mr Court interjected.

Mr PETER DOWDING: That is exactly the same thing; there is the member's little porky pie. The member is trying to suggest it was a block of land with nothing on it and he misled the House. Earlier this year one of the parties involved in the Sentosa project indicated a desire to leave the project.

Mr Lewis: He was burning, that's why.

Mr MacKinnon: He couldn't sell it to anybody else.

Mr PETER DOWDING: Members opposite would love it to be on the basis that the project is hopeless. We will see. The WADC, having made a major investment, had two alternatives. The board discussed them with me because I was concerned to ensure that the undertaking I had given the public be adhered to. The board gave me the complete information about the two options. Option one -

Mr MacKinnon: That's Government interference; there should be no Government interference.

Mr PETER DOWDING: I am entitled to be informed because I am the responsible Minister. The Opposition's silly demands for the board to be beyond ministerial direction is primarily what the Commission on Accountability said was wrong with the structure. Those were the Opposition's silly demands, not the Government's. Does the Leader of the Opposition - remember his idiocy in demanding that provision in the Act? That was what was wrong with the accountability of that organisation according to the Commission on Accountability. This year the board has properly discussed with me that, in winding down its operations, it would be inappropriate to simply sell out of the Sentosa project at a time when the board believed it would not get a reasonable return. The board believed in turn that all the factors were in place for this project to be successful. It acquired 100 per cent of the project. It has advanced the loan fund so that the company can meet its financial obligations and it has the project up and running and nearing completion. This will stick in the craw of the Opposition.

I know it is difficult for them, and they will work as best they can publicly and privately to prevent the WADC successfully selling its interests. I know the Opposition will work through the business community and its contacts here and overseas to try to destroy the commercial opportunity for the WADC to realise its profit.

The Opposition has done that to date in the international arena, when its members have travelled overseas and when they have received visiting business people. However, the WADC believes it will successfully dispose of this asset at a profit, and the Opposition will have every opportunity to criticise the issue because it will be given the full facts. However, it will not be allowed to interfere in the commercial proposals which are currently being negotiated because it would use that information to destroy the project. If members oppose, within the commercial confidentiality of these negotiations, want to be given a briefing pending a final outcome when the matters are put before the House, and if they want a briefing before the time is right for public disclosure, I offer it to them. When the matter is completed a report will be brought into this House and the WADC will be made fully accountable, as I have indicated it will be. The Opposition cannot have it both ways; its members know that there are commercial obligations. The Deputy Leader of the Opposition, whose father from 1978 to 1983 put Western Australia into the biggest commercial obligation ever in this State's history, larger than any commercial obligation it is likely to incur in future, had the temerity to make the comments he did. The negotiations made by his father were made in secret and the community was not allowed to know anything about the details of that arrangement. Those details still cannot be disclosed by this Government. The Deputy Leader of the Opposition's comments do not lie easily in his mouth.

I am reassured that at 13 September 1989 - and that is the latest information available - the total predicted cost of this project is not \$S30 million as the Opposition has suggested, but considerably less.

Opposition members: How much?

Mr PETER DOWDING: We shall see as the negotiations proceed whether the Opposition members have to eat their words. On the issue of accountability, the Opposition has none. It reserves the right to bring into the public arena allegations and assertions for which it has no evidence and no basis, and which are grossly, absolutely and utterly misleading for the community. For example, I refer to the photograph the Deputy Leader of the Opposition produced, which he suggested was a recent photograph.

Mr Court: I took that photograph myself.

Mr PETER DOWDING: On what date?

Mr Court: In June, when you said that the project was 20 per cent completed. It was a vacant block of land with a sign on it.

Mr PETER DOWDING: The Deputy Leader of the Opposition is endeavouring to mislead the House because he suggested that the photograph represented the project as it is today.

Mr Court: Since then there is still only a hole in the ground.

Mr PETER DOWDING: Substantial earthwork and other works are in progress. The Deputy Leader of the Opposition did not tell the House that at the time.

Mr Court: I personally took the photograph.

Mr PETER DOWDING: I understand the nervousness of the Opposition when found out.

Several members interjected.

The DEPUTY SPEAKER: Order! Members of the Opposition in particular, the interjections are being made at far too voluble a rate for anybody to make sense of them. I suggest that interjections on a spasmodic basis are acceptable, but they are certainly not acceptable on that basis.

Mr PETER DOWDING: On 29 August I made a statement in Parliament which was reported in *The West Australian*, and which makes quite clear the arrangements in respect of WADC. I made it clear then that no fire sale would take place. In fact the headline read, "No WADC fire sale". Far from there being something novel about the Opposition's statement, it is old hat. Indeed, the cost of the Singapore oceanarium project was the subject of publicity in the *Finn* report of 22 June. There is absolutely nothing to justify the

Opposition's criticism of the determination of this Government to bring in all of the recommendations of the Commission on Accountability.

The *Government Gazette* No 98 of Friday, 22 September 1989 contained a proclamation that section 8 and part 8 of the Acts Amendment (Accountability) Act would come into operation on 1 October. I refer members to the first paragraph of the motion before the House which states that the Government failed to proclaim the Western Australian Development Corporation sections of the Acts Amendment (Accountability) Act in July. The proclamation of those sections was delayed because, as the Opposition well knows, it would have required the corporation to develop a new set of accounting processes to comply with the Companies Code and the Financial Administration and Audit Act. I said that for the short period involved in winding up the corporation's investments, it would be unnecessary and wasteful to do that. The new processes have been developed and they will be in place from 1 October. What possible harm on the issue of accountability arises from that? This huge motion is before the Parliament criticising the Government for something it has done by not introducing something in July and bringing it forward to October, yet when I ask the vocal minority what possible harm there is in the delay, they have nothing to offer.

Mr Court: In those three months you have been fiddling the books. You have been pouring millions of dollars into the Singapore project.

Mr PETER DOWDING: The Burt Commission on Accountability gave two alternative sets of recommendations with regard to the accountability of the WADC. The Government has chosen to implement the more stringent of those recommendations.

The second item of this motion refers to the failure of the Government or the WADC to make public its extensive involvement in UWI and the extensive obligations into which it has entered. The WADC was visibly involved in the successful development of the Hillarys project. The corporation recognised the opportunity to export its expertise when the Singapore development proposal was announced. UWI successfully tendered for the project against international competition. The Opposition does not like that; it does not like success, it wants failure.

Mr Court: UWI did not tender for it.

Mr PETER DOWDING: Subsequently the other partners in UWI had financial difficulties and wanted to dispose of their interests. WADC acquired those shares in order to protect its investment in the project. The corporation is disposing of its investment as a result of my decision that the Government will withdraw from equity participation. The acquisition of those additional shares has enhanced the corporation's position, and the board has advised me accordingly. On 30 March when I made the announcement I made it clear there would not be a fire sale and that the Government would proceed on these matters.

The next issue is that of items (d) and (e) of the motion, which has been a very difficult issue for us - and for me in particular - to deal with because undertakings and obligations have been entered into. There is a requirement that despite a change of policy and viewpoint, those undertakings should be honoured. The Opposition when in Government would no doubt seek to dishonour a range of undertakings and obligations that have been entered into, but we do not. A classic example of our honour in that area is when the former Minister for Education in the O'Connor Government was sued. There was a clear undertaking made when we came into Government that we would meet his legal costs and expenses. I have no doubt that if the position had been reversed, members opposite would have ignored that sort of obligation to an outgoing Government, as they now want these sorts of obligations to be ignored. We honoured our obligation, and the former Minister was looked after, as he properly should have been.

Several members interjected.

Mr PETER DOWDING: The problem is that members opposite have no regard, as an Opposition, for the conventions of this House. They have displayed that attitude over a period of time. Members opposite were the most pompous, goody goody group when in Government. They had a Speaker who used to stop question time when there was any sort of rowdiness. Members opposite used to get up and object vigorously if anyone said boo to them; and they still do. They ignored every convention when it came to their own conduct; and I am sure they would do that again. The matter of the Western Australian Development

Corporation's accountability was more than simply a convention. Members opposite demanded that the WADC be set up under the corporate affairs laws of this State, with no power of ministerial direction.

Mr Lewis: Tell us about Sir Charles Court again!

Mr PETER DOWDING: That was not his fault; it was the fault of members opposite. I am gracious enough to acknowledge when we have made a mistake, and members opposite should be gracious enough to acknowledge when they have made a mistake. The Deputy Leader of the Opposition was quite right; they did not tender for the project. They were invited by the successful tenderer to participate in the project. So I am prepared to admit my mistake. Members opposite should admit theirs. They framed this Act to avoid any possibility of ministerial direction. They demanded that as a condition of the passage of the Act. Members opposite are silent when they have actually got to say something. The whole structure of the WADC was based on the accountability provisions for directors which apply to people in the private corporate sector; that is, for public companies.

I remember that the Deputy Leader of the Opposition got very twitchy, like someone had dropped itchy powder down his knickers, when I pointed out that his own family received directors' emoluments; and under the corporate laws of this State, those directors' emoluments were not made public, except in an oblique way. That is the accountability of private and public companies in the State of Western Australia, and that is the basis on which these directors took on those obligations. It is all very well for members opposite to suggest that I should throw out those conventions, undertakings and understandings with the bath water, but I have news for members opposite: We want to treat people properly and decently, however much we may make policy changes. I assure members opposite that the boards were required to justify, with a strong accounting and legal basis, the settlement of the claims they had. The colleagues of members opposite in Queensland do not understand the separation of powers. On this occasion the difference between my jumping in and avoiding contracts, obligations and commitments would have been irresponsible and -

Mr Court interjected.

Mr PETER DOWDING: Why did not members opposite frame the Act on that basis; why did they change the basis of the Statute if they had thought that? They are a "little miss lately", coming to grips with the silly mistake that they made at the beginning. I regard the board as having an obligation to deal fairly and honestly with people, but to not give them any more than their legal entitlement. The board obtained legal advice - including advice from Parker & Parker - which was absolute, and with which the board insisted I comply. Given the nature of the people on the board, I think it was entitled to say to me that in view of the policy change, it was the proper thing to do.

The corporation's assets and liabilities are detailed in the annual report. That report is prepared in accordance with the obligations of the Companies Code and the auditing requirements. Those obligations provide the accountability. However, we will go one step further. I have made it clear that as soon as the commercial negotiations are completed, and as soon as there is no prejudice to the taxpayers or to shareholders - that is essentially the community - from the negotiations, they will be disclosed fully to this House. There is no hurry. They can be disclosed as soon as they are completed - this month, next month, or the month after. If any members opposite - including those in the National Party - feel there is some urgency, some impropriety, or some need for information, they are welcome to attend a briefing. It would be wrong to do now what members opposite want us to do, which is essentially to scuttle the opportunity for us to maximise the return.

Mr Court: You will give us a private briefing!

Mr PETER DOWDING: It will be made public in due course, and the member's comments can be on record, and he can say, "I told you so." There is no impropriety, and the board is acting in a sensible commercial way. I will be happy for members opposite to have a briefing on it, on the basis that they do not interfere with the commercial activities of the time. The information will come to the public.

Several members interjected.

Mr PETER DOWDING: It is an extraordinarily trite position, and members must bear in mind that it was members opposite who wrote the North West Shelf confidentiality clause.

Mr Lewis: Sir Charles Court!

Mr PETER DOWDING: Do not blame him. Ask the temporary Leader of the Opposition. They tell me he has until Christmas.

Members should ask him while he is there - he is there until Christmas. Members should ask the Leader of the Opposition; he was in the Cabinet, was he not? They should ask the member for Cottesloe - was he there? They should ask the member for Floreat; he was there. All those people wrote the confidentiality clause so tightly -

Mr Court: Knocking the North West Shelf gas deal!

Mr PETER DOWDING: Well, the Deputy Leader of the Opposition should table it. If it is so important that all confidential documents should be on the Table and there are no grounds for confidentiality, he should table it. Not the information - he should just table the clause.

Mr Court: Seven miserable years!

Mr PETER DOWDING: Seven years that we have been unable to table the clause. The Deputy Leader of the Opposition should just table that clause and when he can do that he will have some grounds for being listened to. I give this House an absolute commitment that as soon as the board has finished the negotiations and brought them to a successful conclusion that information will be made public. If in the meantime there is any information that Opposition members would like to know to assure them of propriety, I am happy to provide it.

Mr Shave: What about Horgan's payout? You won't talk about that.

Mr PETER DOWDING: I have, but the member for Melville obviously has been half asleep or not with us.

I will say categorically that what I said in relation to the Western Australian Development Corporation stands, and if the Deputy Leader of the Opposition would do me the courtesy of quoting the extra five words of my sentence in future, the public of Western Australia would not be misled as they have been by his utterances and his very misleading statements today.

Mr Speaker, the best I can do in relation to these photographs which have been sent to me is to say that they are a number of views of the major earthworks and the concrete works that were in place in this project. If any members opposite want to inform themselves by looking at them, I invite them to do so.

Mr Court: I will give you a photo of Underwater World which I took myself.

Mr PETER DOWDING: It is a marked comment on the Deputy Leader of the Opposition's veracity that he persists in maintaining that the photograph of which he is so inordinately proud represents any reality for this debate. If he represents that photograph as representing any reality to this debate, I invite members who are genuinely interested to look at these photographs.

We oppose this motion. We do not regard it as justified and I invite any members, before they speak on it, to have a look at these views.

Government members: Hear, hear!

MR WIESE (Wagin) [8.23 pm]: I am almost speechless with admiration at the performance we have witnessed for the last 40 minutes. This Premier continues to amaze me in the short time I have been here because very few people can stand in this place and speak for 40 minutes in response to the accusations and the material that has been put before the House during this debate and answer them with absolutely nothing. That is what we have heard this evening - absolutely nothing. The only thing I can say about the Premier's performance is that it was consistent. He accused the Opposition of not being consistent. The Premier was at least consistent - he came out and said exactly the same sort of thing which meant absolutely nothing and which answered none of the material and the points brought forward, and he has been doing it for the last 12 or 18 months in this House.

We have spent nearly 12 months compiling the various material that has been put before this House in what I will call the WA Inc arguments and matters that have been debated. However, we have never received from the Premier a candid acknowledgment of the truth and veracity of the material brought before this House. We have had to draw the material out and I give credit to the members of the Liberal Party, our partners in this House, for the way

they have consistently attacked the Government and brought the material before the public, and drawn the material out of the Government over a period of 12 months. It finally took the tabling of an enormous amount of documentation to bring out the proof and to get acknowledgment of the fact that what was said by the Opposition over that long period was based on fact - it was factual and documented - yet still we do not get any real acknowledgment of that. We still get justification and argument by the Government, trying to support the terrible things it has done to this State over the last two or three years or perhaps even a little longer.

The Premier said during his remarks, "Who is going to come to Western Australia to look at Underwater World at Hillarys?"

Mr Peter Dowding: No, I didn't.

Mr Parker: That is not what he said.

Mr WIESE: He did, and I hope he can go back and look at his words. "What is that going to do to attract tourists to Western Australia?" I agree with him completely, and the same applies to the situation in which the Western Australian Government and WADC are involved in Singapore - it is exactly the same. Who would visit Singapore to see that attraction? If that is the case, why are we, as a Government of Western Australia and as taxpayers of this State, involved in a project of this nature? We have had no explanation of it during the debate and I do not think we will get an explanation in the near future, judging by the performances we have seen to date.

The Premier talked about obligations entered into. What obligations have been entered into by the Government? Is the Government going to tell the people of Western Australia what it has committed this State to through WA Inc, through WA Government Holdings Ltd? The Premier certainly has not been forthcoming during the debate tonight, as he has not been in the past, and that really is what this debate is all about. It is about accountability; it is about the Government being prepared to come before the people of Western Australia and this Parliament and tell them quite frankly and honestly what this Government has committed the people of Western Australia to.

I would have hoped that, following the recommendations of the Burt commission and the Government's strong and very willing acceptance of those recommendations, we might have been able to expect some sort of honesty and frankness, some acknowledgment of accountability from this Government; but again, it is not forthcoming tonight, as it has not been for a long time in the past.

The Premier spoke about the percentage of assets the Government has realised and the amount of money that has come to WA Government Holdings Ltd from the realisation of those assets, and it sounds very impressive. However, what he did not tell us was where the assets came from in the first place. What did they cost WADC in the first place? I think part of the frankness and accountability the Government is grasping at so strongly should involve a telling of the whole story. It should involve revealing to the people of Western Australia where the assets that WADC have been realising on came from and what they cost WADC in the first place; but that has not been forthcoming and it will not be, I suspect. It would be a very sick balance sheet if it were.

A couple of clauses in this motion refer to matters dealing with the directors and the executives of the Western Australian Development Corporation and the way in which they were remunerated by that organisation. The motion states that they were given a golden handshake; I suspect that is probably close to the truth because they certainly received extremely generous termination payments. The Government, of course, refuses to reveal to the people of Western Australia what those amounts were. The figures which have been put before the public both in this House and the other place probably went close to the mark, but tonight's debate is all about accountability and, obviously, the Government is unwilling to account to the taxpayers of Western Australia. How much taxpayers' money has been passed on by way of golden handshakes to the executives of WADC when their employment was terminated? The real argument is not about how much was paid but what the payments were for. The Government is not forthcoming with that information. The disappointing thing about debate tonight is that the Government has not acknowledged that it is accountable for the dealings of WADC both in the past and presently.

I do not wish to prolong debate but this very important matter should be brought before the people of Western Australia; the Government has accepted the recommendations of the Burt commission and has made great play of accountability but it is still unwilling to answer any questions tonight. The Government is not willing to acknowledge the commitments of WADC. Will WADC continue to operate? Will we be called upon in the future to meet further commitments, or further shortfalls, due to WADC's involvement in ongoing projects - not only in Western Australia, but also outside this State? The pity is that we have not received any explanation about why WADC became involved in all those types of projects. Initially, WADC probably was a concept that had some merit; it could possibly have fulfilled a useful role if it had been properly supervised. It may well be that sometimes the Government has to play a role in assisting and encouraging development in this State and that role could have been fulfilled by WADC; it could have been the vehicle to carry out the task. But in this case, WADC has been grossly misused and turned into a vehicle for the Government to play an entrepreneurial role in this State's development, in the hope of making a quick dollar. The Government thought that it could get into the action with the Bonds and the Holmes a Courts of this world. It wanted to make a quick dollar, using the taxpayers' money to support its involvement. What happened is history. This State will pay the price for many years to come. That is the tragedy of WADC; a tragedy we still see being played out, and one which upsets the National Party. The activities of WADC should be curtailed and finally wound up at a pace which was initially intimidated by the Government. Everyone in Western Australia was given the impression that WADC would be wound up as quickly as possible, but it still lingers on. The time has come to bring those activities to an end. If this motion plays some part in that, I will be glad to have been involved in this debate.

At this stage, I move that the debate be adjourned.

Mr Parker: You cannot do that; once you have spoken, you should sit down. We do not accept that.

Mr HOUSE: I move -

That the debate be adjourned.

Several members interjected.

The SPEAKER: Order! The motion is that debate be adjourned. Those of that opinion say aye, those against say no.

Points of Order

Mr BLAIKIE: Mr Speaker, what was the result of your call?

The SPEAKER: The state we have reached is that when the Speaker is on his feet, that is the end of debate. Debate ceases and everybody listens to what the Speaker says. I should not have to shout. I did not deliberately say it quietly, but I said "the noes have it".

Mr COURT: Mr Speaker, we made it clear to the Government which business was going to be handled this evening, and the Government has gone against that agreement.

Mr Parker: That is absolutely untrue; that is an absolute fib; we will not put up with this. Also, that is not a point of order.

Mr COURT: Mr Speaker, can we have a division on the question that the debate be adjourned?

The SPEAKER: Ring the bells.

Motion Resumed

Question (adjournment of debate) put and a division taken with the following result -

Ayes (20)

Mr Ainsworth
Mr Court
Mrs Edwardes
Mr Grayden
Mr Hassell

Mr House
Mr Kierath
Mr Lewis
Mr MacKinnon
Mr McNee

Mr Mensaros
Mr Nicholls
Mr Omodei
Mr Shave
Mr Trenorden

Mr Fred Tubby
Dr Turnbull
Mr Watt
Mr Wiese
Mr Blaikie (*Teller*)

Noes (24)

Dr Alexander	Mr Donovan	Dr Lawrence	Mr P.J. Smith
Mrs Beggs	Mr Peter Dowding	Mr Leahy	Mr Thomas
Mr Bridge	Dr Gallop	Mr Parker	Mr Troy
Mr Carr	Mr Graham	Mr Pearce	Dr Watson
Mr Catania	Mrs Henderson	Mr Read	Mr Wilson
Mr Cunningham	Mr Kobelke	Mr Ripper	Mrs Watkins (<i>Teller</i>)

Pairs

Ayes	Noes
Mr Clarko	Mr Gordon Hill
Mr Strickland	Mr Taylor
Mr Bradshaw	Mr D.L. Smith
Mr Minson	Mr Grill
Mr Thompson	Mrs Buchanan
Mr Cowan	Mr Marlborough

Question thus negatived.

Question (motion) put and a division taken with the following result -

Ayes (20)

Mr Ainsworth	Mr House	Mr Mensaros	Mr Fred Tubby
Mr Court	Mr Kierath	Mr Nicholls	Dr Turnbull
Mrs Edwardes	Mr Lewis	Mr Omodei	Mr Watt
Mr Grayden	Mr MacKinnon	Mr Shave	Mr Wiese
Mr Hassell	Mr McNee	Mr Trenorden	Mr Blaikie (<i>Teller</i>)

Noes (24)

Dr Alexander	Mr Donovan	Dr Lawrence	Mr P.J. Smith
Mrs Beggs	Mr Peter Dowding	Mr Leahy	Mr Thomas
Mr Bridge	Dr Gallop	Mr Parker	Mr Troy
Mr Carr	Mr Graham	Mr Pearce	Dr Watson
Mr Catania	Mrs Henderson	Mr Read	Mr Wilson
Mr Cunningham	Mr Kobelke	Mr Ripper	Mrs Watkins (<i>Teller</i>)

Pairs

Ayes	Noes
Mr Clarko	Mr Gordon Hill
Mr Strickland	Mr Taylor
Mr Bradshaw	Mr D.L. Smith
Mr Minson	Mr Grill
Mr Thompson	Mrs Buchanan
Mr Cowan	Mr Marlborough

Question thus negatived.

MOTION - STATE GOVERNMENT INSURANCE COMMISSION

Financial Dealings - Extraordinary Report Tabling

MR TRENORDEN (Avon) [8.47 pm]: I move -

That this House -

- (1) requires the Treasurer to table within three sitting days an extraordinary report of the State Government Insurance Commission providing details and full disclosure of all the Commission's investments and other commercial transactions including, in particular, its dealings in relation to the Spedley's Group; and

- (2) calls on the Premier, upon the tabling of that extraordinary report of the State Government Insurance Commission, to establish an independent inquiry into the financial management of the State Government Insurance Commission and the State Government Insurance Corporation and that the report of that inquiry be tabled in both Houses of Parliament no later than 1 November 1989.

The State Government Insurance Commission Act is a State Act enacted in 1986. The key elements of that Act about which I have spoken in several debates are contained in a different Act, the Insurance Act 1973, a Commonwealth Act. The provisions of the State Government Insurance Commission Act require the corporation to comply with the conditions of the Insurance Act 1973. It is obvious, after reading the Federal Act, that its provisions are administered by the Federal Commissioner of Life Insurance. We therefore have the conflict that, although the SGIC Act is a State Act, many of its provisions are tied up with a Commonwealth Act.

Yesterday, the Treasurer referred matters to the Public Accounts and Expenditure Review Committee and I am a little unsure about the terms of reference of that inquiry. The Treasurer's motion was very broad. In fact, it says that I can write down the conditions of the inquiry.

Mr Parker: No, it does not. It refers to your allegations and my response. You have made your allegations and I have responded. The committee can investigate that.

Mr TRENORDEN: Of course, the clerks have not had the time to deliver those terms of reference to the committee. That is the reason I am a little unsure about them. I have no doubt that a letter will arrive at the committee in due course. Being a member of the Public Accounts and Expenditure Review Committee, the matter is of some interest to me.

I would like to express my absolute confidence in all parliamentary members of the Public Accounts and Expenditure Review Committee; I also have a healthy regard for the staff of that committee. We went as a group to Queensland a few months ago to attend the annual conference of Public Accounts and Expenditure Review Committees. It was an interesting conference because it was the first time such a committee had been formed in Queensland. There was a great deal of interest in Queensland in this conference and its members, and a great deal of pain was felt by some members of the Queensland committee, from all three parties.

Having been involved in the Public Accounts and Expenditure Review Committee since its formation at the beginning of this Parliament, I am aware that its staff is small, works under extreme pressure, and does a very competent job. I wish to emphasise to the House the complexity of this investigation. The research staff and the staff of the Public Accounts and Expenditure Review Committee have no working knowledge of the Insurance Act and are not familiar with the insurance industry. These will be important aspects of any investigation. From listening to the Treasurer's comments yesterday and trying to follow my speech, members will realise that it is not difficult to be confused about the various Acts involved, the corporation, the commission, solvency margins, and the many other terms that apply. In fact, the insurance commissioner has said there are very few people outside his office who are competent to examine claims records. That is a very important point. If the Public Accounts and Expenditure Review Committee is to do the job with which it has been entrusted, it will need expert advice from the insurance industry, particularly with regard to the workings of the Insurance Act of 1973. The best available advice would come from the insurance commissioner's office. If this investigation is to take place, I suggest we second someone from the insurance commissioner's office. I am not sure whether the commissioner will agree to that, because I have not put it to him; however, it is essential that someone with full understanding of the workings of the insurance office and its requirement to police the Act should work closely with the Public Accounts and Expenditure Review Committee. However, I am concerned that the current budget of the Public Accounts and Expenditure Review Committee would not cover the necessary expenditure. I am also concerned about further expenditure required to cover the cost of an immediate audit - which without doubt is necessary - of the accounts, assets and liabilities of the State Government Insurance Commission and the State Government Insurance Corporation. I am told that audit would cost in the vicinity of \$100 000, and certainly that amount is not allowed for in the budget of the Public Accounts and Expenditure Review Committee.

Mr Kierath: It is chickenfeed compared with what is at stake.

Mr TRENORDEN: An amount of \$1.2 billion is at stake - that is the value of the listed assets of the State Government Insurance Commission. That audit is necessary. It is not a matter of requesting that it be done; if an inquiry is to be conducted into the prudential activities of the SGIC, that audit must be done by competent operators. It will not be cheap. The Treasurer is keen enough to place an inquiry in the hands of the Public Accounts and Expenditure Review Committee and I hope the necessary funds to permit a proper investigation will be forthcoming. That is a key question.

It would be far better if an inquiry into this aspect were held without any political interference or the involvement of party politics. Party politics have not been involved in the Public Accounts and Expenditure Review Committee to date, and I hope that situation continues. The point is that members in this House and the public require the issues referred to in this debate to be examined. It should not be a matter of examining the hot air type issues covered in the Press, but rather of examining the real issues. Public money is at stake; the premiums are paid in advance with the expectation of claims being met, and claims and liabilities are funded and put away to meet future known claims. Money from such areas as the old Motor Vehicle Insurance Trust, workers' compensation and industrial diseases are held by the SGIC. It is very important money.

It is important that this inquiry be dealt with in an appropriate way and not, for example, in the same way the Select Committee inquiry into the Midland abattoirs was conducted. It was a highly political inquiry which did not achieve a great deal. One could say as an impartial commentator that nothing was achieved by that inquiry. If a public opinion poll were held, I am sure the public would say that there was an odour surrounding that inquiry, although they could not say why. The net result of those activities was the denigration of the activities of Select Committees and the Select Committee system. It is very important that the issue before the House has a proper and fair hearing. Information about the subject of this inquiry is very technical, and there is a possibility of the inquiry becoming political. The committee investigating this issue should be provided with expert advice. In fact, if the Government were serious about doing this job properly, it could ensure, as a result of the inquiry, that an expert on insurance matters was placed permanently in the office of the Auditor General. This type of activity needs to be ongoing for some time. In carrying out his duties the Auditor General needs someone in his department with a working knowledge of the Insurance Act and the requirements of the general insurer. The State Government Insurance Commission Act requires the corporation to comply with the legislation. In fact, it could be argued that we should not be inquiring into the issue at all, but that it should be handed to either the Senate or the House of Representatives in Canberra, because the Insurance Act is its province. I would not be happy to do that because it is a State issue, although it involves a Commonwealth Act. Some confusion could arise in this matter.

In the debate yesterday the Treasurer did not once refer to the lack of cash flow within the SGIC. He referred to assets and liabilities but carefully avoided any suggestion that the SGIC was short of operating cash. I thought he did so because that is the situation. People have been telephoning me saying they have long outstanding accounts on claims with the SGIC. From telephone conversations with members of the industry today I understand it is not unusual for State Government Insurance Corporation creditors to wait 70 or 80 days for payment.

Mr Kierath: I have been told that people have been waiting six months to be paid.

Mr Pearce: You are exaggerating as always.

Mr Parker: That is outrageous. Every insurance company from time to time disputes claims and every insurance company from time to time will not settle. To suggest that the commission or the corporation is not paying claims on the basis of cash flow deficiency is an outrageous claim without any basis whatsoever. That is not true. Given what you have just said, let me state categorically that the SGIC has not held up any claims on the basis of its inability or lack of desire to pay because of cash flow problems. That is absolutely and categorically underlined a hundred times. Every insurer disputes claims, and negotiates the basis of claims, but there is absolutely no basis to any suggestion that the SGIC has failed to pay claims because of a lack of cash. That is an outrageous allegation, which you have no basis for at all. I challenge you to produce any evidence of that allegation.

Mr TRENORDEN: The Treasurer should try asking a few questions around the panel beating industry; I think he will find he will get a few telephone calls from people who have those sorts of concerns.

The Treasurer said yesterday in his speech that a check on investments valuation was included in audits done by the Auditor General, and that he valued various assets within the corporation.

Point of Order

Mr DONOVAN: Mr Speaker, I suggest that the member has now twice alluded to yesterday's debate in the same session of Parliament, and I would have thought not only that Standing Order No 125 would preclude him from doing that, but also that it is inappropriate, given the outcome of yesterday's debate.

The SPEAKER: It is improper for members to allude to a previous debate, and while I have not been listening to the debate as closely as I might, if that has been the case, I just caution against it.

Debate Resumed

Mr TRENORDEN: What I wish to do is raise an argument about why the matter should not go to the Public Accounts and Expenditure Review Committee.

The SPEAKER: That is entirely improper. You cannot do that.

Mr TRENORDEN: I will talk about why I believe there should be an independent inquiry into the SGIC, being the corporation. Several arguments have been raised about the performance of the corporation and its investment activities. The activities of the corporation have to be questioned. It is not just that what has happened within the corporation must be revealed; someone must be responsible for what has happened within the corporation. Whose fault is it that the corporation has got itself into the mess it is in today, particularly in respect of the fact that it is dealing with trustees' money? The premiums that are paid are apportioned to future claims or current claims, and that really is trustees' money. We must ensure that what has happened with the corporation, just two years after the formation of a new Act, will not happen again in the future.

Many arguments have been raised about the solvency margin of the SGIC. The definition of "solvency margin" under the Insurance Act is that 20 per cent of the premium income must be held in the form of assets over liabilities. I do not believe there is any doubt that the corporation does not meet that solvency margin.

Mr Parker: You are wrong.

Mr TRENORDEN: I do not believe that. We have had a long discussion about the assets and liabilities of the corporation. We have talked about the auditors' deciding what is reasonable or not reasonable. The important thing is that there is no independent audit of the SGIC under the provisions of the Insurance Act. The Treasurer can draw as many red herrings across the trail as he likes, or try to cloud the issue; he cannot get away from what is an indisputable fact. The Treasurer is quite good at trying to confuse the issues between the commission and the corporation as to which is or is not accountable.

Mr Parker: You confuse the issue!

Mr TRENORDEN: I know the issue. I have spent 18 years in the industry; the Treasurer has spent two minutes.

Mr Pearce: You were flogging it door to door. It is a bit different.

Mr TRENORDEN: The Minister flogged education from door to door, and I flogged insurance. What is the difference? The real issue is that the insurance corporation and the insurance commission have been the bankers in a game which has used the funds of the corporation as Monopoly money for WA Inc. The question is, who is at fault; someone must be at fault. We are not talking here just about petty cash; we are talking about a substantial amount of money. We would like to know whether it is the Premier, the Treasurer, the commissioners of the corporation, the managers, or the investors who are at fault. That is an important matter for inquiry. The question is, what sort of inquiry will we have. There must be a day of reckoning. The only thing that can be said about the speech by the Treasurer and

the small amount of information which has come out of the SGIC is that they would like to keep that day of reckoning away for about three or four years; but they will not be able to do that. I believe the day of reckoning will be very soon after 1 October, because the SGIC has stated that on 1 October it will place the shares and bonds onto the market, and will call upon the indemnity from Bond Corporation. That can have only one effect: It will reduce the price of the shares; and there must be a large impact from Bond with a face value of \$150 million being put onto the market. Why would the commission take such an action; why would it place that share script onto the market on 1 October when it has delayed doing so for months? Some serious questions have been put to me. One is: Is the SGIC placing the shares and bonds onto the market because it knows there is a safety net out there; there is an individual who will catch those shares, and go about doing another round of wheeling and dealing, with a change of ownership at, perhaps, *The West Australian* newspaper?

Mr MacKinnon: The rumour is that it is Robert Holmes a Court.

Mr TRENORDEN: That is the rumour, but is it true? We need to know, because it will be a major event in the history of Western Australia if that is so. There has to be a very substantial loser in this transaction. Someone must lose on that indemnity. We are talking about \$140 million to \$160 million.

If it is the State Government Insurance Commission, the taxpayers of Western Australia will lose. If the indemnity holds up, it will be Bond Corporation and that would be a very vicious blow for Bond Corporation. Somebody must lose after 1 October.

Mr Pearce: Whom would you prefer to lose?

Mr TRENORDEN: I would prefer nobody to lose, but I point out that it is the Government which put this matter before the public of Western Australia. However, either way, even if it is Bond Corporation that loses, the public of Western Australia will pay the penalty. I believe Bond Corporation through all its chains employs more than 20 000 people. It would not be that the brewing and all the other activities in which Bond Corporation is involved would stop, but some of them would stop and it certainly would impose a very severe restriction on the movement of capital in this State. It would take us decades to recover and I think that is of most serious significance. We must know what is going to happen - we will soon find out, of course, because 1 October is only a few days away.

I point out to Government members that the staff of the State Government Insurance Office have been soldiering on for many years and have worked hard to build a system to be proud of, and Government members, or some people within the hierarchy of the commission, have blown that away in two years. Many decades of hard work have just gone out the window. Some very upset people within the SGIC really want to know where it will all end.

A few other questions need to be asked about why we need an inquiry. One question is: Has the executive been warned of the state of the SGIC? Surely the investment managers and financial managers within the system have been to the executive and told it how bad things are. Why have they been so silent? What action has been taken? Certainly if it were a private insurer it would have had to make a public statement by now because the insurance commissioner would have been knocking on its door. Why has not the SGIC? All of those questions have little to do with Bond Corporation, but it is not a matter of holding up Bond Corporation because the institution really at stake is the body that trades as the SGIO. Somebody has to be responsible and we need to find out who is responsible and why they have taken the actions they have so the matter can be rectified in the future. A full inquiry is required - not a partial, low level inquiry but a full inquiry. I found out yesterday for the first time that the \$175 million that was on-lent from the commission to WA Government Holdings Ltd is on a debenture that is not payable until October 1997 - another eight years. It has an exposure of \$175 million at a current interest rate of 13.9 per cent - four per cent under what people are paying for private mortgages. What a great investment!

Mr Parker: The SGIC has always had a very high fixed interest portfolio. It had a lot of debt when we took over which was at four or five per cent.

Mr TRENORDEN: Is the Treasurer saying that he recognises that 13.9 per cent is a low rate and they could get a better rate of return?

Mr Parker: That 13.9 per cent was the commercial rate at the time and, like all other fixed interest securities subscribed to by insurance companies and other financial institutions and

the like, it was a good investment at the time. It was at a much higher level than the fixed securities that we took over.

Mr TRENORDEN: Surely the Treasurer is not expecting me to accept that 13.9 per cent -

Mr Parker: A rate of 13.9 per cent for a nine year term is a very good rate.

Mr TRENORDEN: A fixed rate? At \$175 million? It is unbelievable.

The DEPUTY SPEAKER: Order! The member for Avon will resume his seat. We are not in Committee at this stage so, while informal questions are acceptable across the Chamber at that point, I do not think that in a debate of this sort it can be tolerated on a persistent basis. If the member directs questions to the Treasurer and he replies, it is going to get out of hand in terms of overall interjections. The Treasurer will have a chance to reply to the member's points in due course and I suggest, therefore, that the member direct his remarks to the Chair.

Mr TRENORDEN: I would be happy to direct my questions to the Chair, Mr Deputy Speaker. We all know that WA Government Holdings Ltd will not have money in eight years' time so it will have to come out of Treasury anyway. We all know that the SGIC requires the money. It is an unbelievable amount of money to have exposed at such a low interest rate - it is just incredible.

However, to move off that subject, there is another important issue that has not yet been raised; that is, the SGIO's operation in the life insurance field.

Mr Parker: That is what really is behind this. You really are very angry that the SGIC has moved into life insurance. That is what it is really all about. You are trying to undermine its entry into the life insurance field.

Mr TRENORDEN: I will do as I am told, Mr Deputy Speaker, and will direct my remarks to you. I am informed by people within the commission that the first manager of the insurance division resigned because he was not prepared to take direction.

Mr Parker: That is not true.

Mr TRENORDEN: Well, he is out there in the private world and we will just wait and see what happens. The Life Insurance Act is not covered in the State Government Insurance Commission Act at all. In 1986 when the Act was put in place the general Insurance Act was included and the Life Insurance Act was absolutely precluded. There is no mention of superannuation or life insurance in the Act, and the same argument has a chance of occurring in the future in respect of life insurance and superannuation moneys. That is absolute in terms of a claim. If someone takes out a life insurance policy the insurance company either must pay out a surrender value or a retirement or death benefit, and that money just must be there. There is no requirement under this Act for the SGIO to have any requirements to any life insurance Act or superannuation activities so far as the Commonwealth is concerned. That is a very big deficiency in this Act.

Also, it has been stated several times that an independent auditor has done the auditing of the corporation and the commission. That is true, but what has not been said is that they do not do 100 per cent of the audit; in fact, they do a very small proportion of the audit. The major part of the audit is done by the Auditor General; to say that McLaren & Stewart do a full audit on the activities of the corporation and the commission just is not true. So there has been a lot of misinformation.

Mr Parker: What is the point of that? Why are you making that assertion? Are you suggesting there is something wrong with the Auditor General's audit?

Mr TRENORDEN: No, I am not. He audits the records of whomever he audits very well in terms of the administration and audit Act, not in terms of the Insurance Act. I do not know how many times I have said that.

Mr Parker: But your point is that he must look at the underlying assets and that is part of his job under the Financial Administration and Audit Act.

Mr TRENORDEN: Yes, that is right, but when an audit is done in a private insurance company that audit goes off to the insurance commissioner who does his own audit and is entitled to do his own valuations. That is a very important point. It is a safety net and it is just not occurring with the corporation or the commission.

The whole point to the solvency of the commission is to assure the Western Australian taxpayers that their insurance company is secure. However, it is not right to say that the State Government Insurance Commission is secure. We should have a high level investigation, not a low level investigation. Some extremely important points have been raised with me, and I am not sure of the answers. We have heard all about the claims made on the SGIC - some involving asbestosis victims - and these have been going on for two years. These people need to know that this money is secure and is held within the commission. Are the funds still there; are they secure? These are fundamental questions. The inquiry should find out about the role Kevin Edwards played within the commission and the corporation, because he was serving both organisations when the disaster occurred. That same individual keeps cropping up. Another question put to me is, "Did the returned \$15 million that ended up with Western Collieries come from the SGIC?" I have been told that on investigation of Spedleys and of the SGIC we will find that the funds that ended up with Western Collieries came from the coffers of the SGIC.

Mr Parker: That is untrue. The SGIC did not put additional funds into Spedleys at the time of or about the time of the \$15 million cheque matter.

Mr TRENORDEN: There is a \$30.5 million exposure to Spedleys. How is it made up?

Mr Parker: The \$15 million was sent back about the middle of November last year; there was no injection of funds of \$15 million or, so far as I am aware, any other substantial amount by the SGIC at or about that time.

Mr TRENORDEN: Another question is: Why was Spedleys used as an investment vehicle at all?

Mr Parker: At that time it was owned in considerable equity by Australian National Industries which was one of the largest companies in Australia. Spedleys made considerable play of the fact that it was owned by Australian National Industries. Secondly, it had been a discount house, or a bill of acceptance discount house, which was registered by the Reserve Bank. It was not in the same class as Rothwells, for argument's sake; it was a member of various associations owned by one of the top companies in Australia.

Mr TRENORDEN: That still does not explain the \$30.5 million exposure to Spedleys and the \$91 million exposure to Rothwells - they add up to in excess of \$120 million. That is a great deal of money. Why was it not spread around? Why did only two institutions have such a great deal of interest? The questions need to be answered; we need to know for sure. We cannot say that the answers have been forthcoming from the Government's side of this House over the last 12 months, or that the answers it has given have been dead straight. We need to find out through an inquiry what is exactly right.

Other very important questions are: Was it Minister Grill who signed the first obligation of \$175 million to WA Government Holdings Ltd? Is it true that the documentation which followed from SGIC was days later? What about the number of strange investments on the SGIC books, such as the Paragon shares? I could dig through the Press releases and read out others. I am told that many of those investments were made to pay back the original holders of the shares, to put money directly into Rothwells. Was the SGIC involved in the daily manipulation of the Rothwells group to attempt to keep it financial for the next day's trading? Is it true that a constant flow of cheques came out of the SGIC into Rothwells, and back again, during the dark trading hours at the end of each day? Was \$10 million placed with United Credit and then on-lent to Rothwells? Was that \$10 million ever returned? Was the board directed and, if so, by whom? Did the SGIC buy back into property recently because one of the owners had a high exposure to Rothwells? Again, the rumour in the marketplace says that happened. We have all heard those claims. The allegations are serious, but I am not saying they are true; I do not know. However, those types of allegations are flying around the community, and the community wants to know the truth. We need a high level investigation to find out the truth.

I suggest to members on the front bench opposite who are not members of the "gang of four" that they take the lead from the member for Geraldton who recently issued a circular saying that he was not responsible for the actions of WA Inc. I point out to members opposite that when the fat lady sings they might find themselves in the choir. I repeat, these events do not require only a low level investigation.

Mr Parker: The member should have said, "The opera is not over until the fat lady sings."

Mr TRENORDEN: The opera may be nearing the final act. Desperate deeds have been done by desperate people in the last couple of years. The question is: Will we have, in this place, the type of investigation which will get to the heart of the issue? Will the truth come out, or will it be just another snow job?

MR MacKINNON (Jandakot - Leader of the Opposition) [9.27 pm]: I have pleasure in seconding and supporting the motion moved so ably by the member for Avon. Undoubtedly, the motion should be supported because without a shadow of doubt a management crisis currently exists within the State Government Insurance Commission. The crisis was brought about by the Government's interference in the activities of the SGIC. I have great confidence in the ability of the majority of people within the SGIC. I do not have confidence in the Government's ability because it has used and abused the assets of the SGIC for its own political ends. The crisis warrants the action proposed by this motion. An extraordinary report is required because the situation is extraordinary. When, in the history of the SGIC, has an Opposition had to come to the Parliament to call for such an inquiry? We are not in collusion - the National Party has received similar information which would cause grave concern. The Liberal Party put an advertisement in the newspaper recently about this matter. One piece of information we received indicated exactly what the member for Avon has been saying about the crisis within the SGIC. If I were to release that information, an executive of the SGIC would lose his position. So I am not about to. I can categorically assure the House that that information is accurate. This is an extraordinary position which requires an extraordinary report, an inquiry to disclose the details of these matters and to ascertain why this has occurred. It would not be appropriate for the Deputy Premier to stand up and say, "Look, all of that information is available, we will disclose it when it is appropriate." We have heard the Premier say tonight and before the election, "We will let you have the PICL information when all the details have been concluded." However, the guarantee that was not the guarantee was concluded just before the election. There is nothing commercially confidential about that, but it was kept secret until after the election. It is not appropriate to say that we will wait until the SGIC comes out with its fully audited accounts in December. The crisis within the SGIC is now.

Mr Parker: There is no crisis at all.

Mr MacKINNON: The Government has the responsibility for taking action, as the member for Avon has indicated tonight. As I will demonstrate, the Government has presided over an extraordinary situation where the SGIC has lost huge amounts of money; an unprecedented situation. In Spedleys, it has made investments in non performing assets at the direction of the Government and has made share deals that would make one's hair stand on end. What is the answer to that? We have heard it from the Premier when he comes in here and talks about all the aspects of the Government that we have raised such as the petrochemical project, and the huge losses they have incurred. The Deputy Premier has said tonight and will say again that there is no problem, that there are no losses. Millions of dollars have been lost, but there are no problems. He would say, "There are no losses, the taxpayers have not lost any money. The fact that the SGIC donated to the Treasury X amount of dollars last year and about \$50 million less this year has not had an impact." However, in this year's Budget this Treasurer indicated that there would be \$62 million allocated to the PICL project. He still gets up and says, and I think he believes it, that there is no impact on taxpayers.

Mr Trenorden: That's about \$30 million short of the best.

Mr MacKINNON: Worst of all nobody claims to be responsible. Who is responsible for these losses?

Mr Kierath: They will probably blame it on us - we did it in 1983.

Mr MacKINNON: They will probably say we are in collusion with Mr Bond. There is nobody taking responsibility for the losses. Mr Rees denies responsibility, the Premier denies responsibility, although he was Minister for most of the time, and the Deputy Premier denies responsibility. I refer to Spedleys, as did the Member for Avon tonight in his motion. This is a very interesting circumstance. I have the details of exactly when the money went into Spedleys. We know that there is \$35.5 million in Spedleys. On 29 February 1988

\$10 million, originally for one month, was rolled over. The money went to Spedleys, then directly to Rothwells. That was the arrangement the SGIC had.

Mr Kierath: Is that a new form of warehousing?

Mr MacKINNON: It could be. The money went via Spedleys to Rothwells. Does the Deputy Premier deny that?

Mr Parker: What are you talking about?

Mr MacKINNON: Will the Deputy Premier deny the next item? On 31 August 1988 \$4 million went from the SGIC to Spedleys then to Rothwells. On 2 September 1988 the SGIC endorsed Spedleys' bill which was sold on the strength of that endorsement and was used to buy Rothwells' bills. It matured on 21 October 1988, right in the middle of the Rothwells' crisis - remember the midnight meetings and the like - and was replaced by direct cash of \$11 million and \$4 million out of the item I am about to discuss. On 20 October \$5.5 million was given to Spedleys who refused to pass all of it on. Only \$4 million was passed on. Of the \$30.5 million exposure of the SGIC to Spedleys, \$29 million of it went directly into Rothwells. Those are the facts, chapter and verse. None of those facts have been denied. The first question is: Why was the SGIC putting money into Rothwells via Spedleys?

Mr Kierath: You wouldn't do that on the basis of a good business decision.

Mr MacKINNON: No. The second question is: On whose authority and direction? It was because the Government of Western Australia was directing the SGIC to. Thirdly, why, after the crash of Rothwells, did the Government leave its money in Spedleys? Everyone in Western Australia knows Spedleys has exposure to Rothwells. We know because we asked questions in this Parliament in November. We asked why the Government was leaving its money there. It was left in until Spedleys went to the wall. It was left in because there was an agreement between the Government through the SGIC and Spedleys that the money would go to Rothwells. The Government could not pull it out because there was an agreement. Why else would the money have stayed there when everyone knew that the fringe financier was exposed to Rothwells? Anyone would have known that that was the time to get one's money out. What advice did that Australian index money manager who was being used in the SGIC, give to the SGIC about its Spedleys' investment? I will bet that he advised SGIC to pull the money out. I also bet that the SGIC could not pull the money out because of its agreement; an agreement directed by the Premier of Western Australia. All that brings us to the bottom line: The taxpayers' loss through the SGIC is \$28 million and the Treasurer will sit there and say there is no loss, no problems and no responsibilities.

I was asked to withdraw some remarks yesterday, but I am thankful that now I can read them from *The West Australian* and hope that I will not be asked to withdraw them because they are being quoted. Looking at Paragon and who owned the shares in Paragon -

Mr Lewis: Whose shares were they?

Mr MacKINNON: Paragon is a mining company and from its annual report of April 1988 - I would sink a little bit lower in my chair, Mr Deputy Premier -

Mr Parker: I am bored.

Mr MacKINNON: Who owned 60 per cent of Paragon shares as at 12 April 1988? To be more precise, 59.91 per cent. It was Oakhill Pty Ltd. Who was a shareholder of Oakhill?

Mr Lewis: Not Last Resort.

Mr MacKINNON: Can the Deputy Premier tell me? Who was the predominant shareholder in Oakhill? It was one of the Government's good friends, Mr Connell.

Mr Parker: He is your friend.

Mr MacKINNON: He is no friend of ours.

Mr Parker: Don't you read the newspapers?

Mr MacKINNON: The Deputy Premier tries to run away from it.

Mr Parker: Why don't you read the newspapers? He's your friend he claims.

Mr MacKINNON: We all know who went to the Premier's wedding.

Mr Parker: Who went to the Premier's wedding? I went to it; who else?

Mr MacKINNON: The Deputy Premier can tell me. All of the people who are not supposed to be the Government's friends were there.

Mr Parker: I don't think Mr Connell is the Premier's friend.

Mr MacKINNON: Everybody knew that there was action taking place to support Paragon. The answer I received to questions yesterday showed that on 26 August 1989 the SGIC bought 3 million of Paragon's shares - \$2 million in round terms. On 16 September it bought another 3.5 million for \$2.3 million and then on 31 October, when, at the direction of the Premier the Government put \$15 million further into Rothwells, it took as security - I do not know what else it took as security - that is a question I am going to ask - a further two million shares valued at \$1.4 million. The total cost of 8.5 million Paragon shares was \$5.8 million. Why did the State Government Insurance Commission buy Paragon shares at a time when everybody in Perth knew there were moves afoot to maintain and keep the price of those shares up as part of the Laurie Connell rescue?

Let us consider what John McGlue said in an article in *The West Australian* on 12 May, and I have not heard of any action being taken against him. He said -

Soon after Symposium sold the shares to the SGIC, the Perth stock exchange began an investigation into the scheme under which the share price of Paragon was artificially supported in the market.

That is called ramping.

Mr Parker: It does not suggest the SGIC.

Mr MacKINNON: Listen to what it suggests. To continue -

It is believed an SGIC investment official was among those who gave evidence to the Stock Exchange during its investigation in the Paragon Share purchases.

But Mr Christensen -

He was a principal of West Coast Securities. To continue -

- failed to pay the fines, and last month was suspended as a member of the exchange.

He is now believed to be in Kuala Lumpur.

I bet he is. That is the man from whom the Government was purchasing shares from Paragon, the predominant shareholder being Oakhill.

Mr Lewis: He could be on Sentosa Island.

Mr MacKINNON: He could be. He may be managing the project. The article continues -

While the sale of Paragon shares to the SGIC was part of the share price support scheme -

Did the Treasurer hear that? In other words it was part of the ramp. It continues -

- it is unclear how the SGIC became involved and who suggested the Paragon purchase to the commission's investment staff.

When queried this week, the SGIC refused to comment.

"We don't discuss the day-to-day activities in our investment areas," said a spokesman.

That is the reason the member for Avon says there must be an inquiry, particularly into the Paragon situation. Serious allegations have been made in the article - allegations which I support - written by John McGlue. Everyone in Western Australia knew what was happening, but no-one has challenged the article.

The question is: Who directed that Paragon shares be purchased? It was part of this Government's desperate attempt to keep Rothwells afloat using the funds of the SGIC by direction. What did the Government lose? If one looks at what Paragon shares are worth today he will find that they are valued at 17¢. It means that there has been a loss to date of \$4 394 952. I have already referred to the \$28 million involving Spedley's and now there is \$4.4 million, in round terms, lost on Paragon shares. I quote again from the same article as follows -

While the sale of Paragon shares to the SGIC was part of the share price support scheme...

That is what it was about; that is what the funds of the SGIC were being used for. The million dollar question is, "Who was responsible?" The responsible Minister at the time was none other than the Premier - he is responsible.

I refer now to Intellect. Perhaps \$90 000 is not a lot of money to the Minister for Education who may be a wealthy person. However, to most Western Australians that amount of money represents their home; their lifetime investment.

What did the SGIC do? On 1 November, two days before Rothwells was wound up at the direction of the Government, the Government purchased 2.8 million shares in Intellect, a Rothwells' company, at a cost of \$90 000. However, that company went into receivership three weeks later on 24 November.

The Minister said that Australian in-depth money managers were appointed to advise the SGIC on its investment strategies from June 1988, but what happened two days before the Rothwells' collapse? An amount of \$90 000 was paid to somebody and three weeks later the company involved went into receivership.

Mr Trenorden: That is what you call a short term investment.

Mr MacKINNON: It was short term all right, it was not much of a return. Another non-performing investment.

The other million dollar question is from whom were the shares purchased. In April 1988 Oakhill had a 60 per cent interest in Paragon; do members know what percentage Oakhill had in Paragon in 1989? It was zero.

Mr Parker: Not because it got out cleverly; it was because the banks foreclosed on it.

Mr MacKINNON: Is the Treasurer saying that Oakhill was not selling to the SGIC via Western Securities? No, he is not saying that. What we should find out from this Government is from whom the shares were purchased and what the SGIC was doing buying into a high risk company two days before its major shareholder went into debt and three weeks before it went into receivership. Who directed it? The Government cannot tell me that SGIC would have done that because it would not have done that. No sane person would do that unless he were directed for a political motive. I could go on and give other examples like Bell Resources, shares in which the Government bought into through the SGIC. On current figures the SGIC owns 700 000 shares in that company and it has lost \$2.3 million. The SGIC bought into Bond Media before it was listed. The Government had such a cosy arrangement with Bond Corporation at the time. In round figures 2.5 million shares were purchased and on the current value \$2.5 million has been lost.

I have not referred to debentures worth \$175 million which the SGIC has in WA Government Holdings Ltd because it was well canvassed by the member for Avon. However, one must ask the question why the SGIC invested in WAGH. Did it do so voluntarily or was it directed to do so?

Mr Parker: It was a good investment - a Treasurer's guarantee investment.

Mr MacKINNON: Was it directed?

Mr Parker: I do not know. I was not the Minister at the time.

Mr MacKINNON: No-one is prepared to answer that question, but the documentation tabled in this Parliament last Thursday by the member for Cottesloe proves conclusively that the SGIC was directed in respect of the indemnities. The \$175 million invested in WAGH was at the direction of the Premier of Western Australia. The SGIC did not make that investment of its own accord; the investment was made because it was directed to do so.

I have not mentioned the property deals or the Bell indemnity which was referred to last week and, as I mentioned previously, which the documentation tabled by my colleague, the member for Cottesloe, proves conclusively that the direction which was apparent throughout most of the recent activities of the SGIC has led to unprecedented losses and unprecedented investments. Members should bear in mind that we are talking about an insurance company owned by the taxpayers. It is supposed to have a conservative investment policy. I have not

even mentioned the money it lost in Rothwells. The Minister, by way of interjection, said we cannot say Spedleys was as bad as Rothwells; he said that himself, yet the SGIC had more money in Rothwells. That is exactly what he said; that Spedleys were not as bad as Rothwells and that he put the money there. They were directed to do so. There is no doubt whatever that the action taken by the member for Avon has been a responsible one. He has drawn to the attention of the public of Western Australia serious matters with respect to the SGIC and we have great pleasure in both seconding and supporting the motion he most ably moved.

MR PARKER (Fremantle - Treasurer) [9.51 pm]: Mr Deputy Speaker -

Mr Hassell: That was a strong speech which clearly identified what the Treasurer has been up to.

Mr PARKER: Compared to most of the speeches made by the Leader of the Opposition, and it was interesting to hear the faint praise from the member for Cottesloe, the exiled Leader of the Opposition.

Mr Hassell: That speech about what the people opposite have been up to will be on the record for a long time.

Mr PARKER: I presume that as long as *Hansard* lasts that will happen. I could go back and read some of the speeches made in the 1900's which are on the record, but that says nothing about them. This debate has an extraordinary ring of *deja vu* about it. We have heard from the member for Avon what was essentially a repeat in a somewhat abbreviated form of the combination of his speeches of yesterday and last Thursday and we have heard from the Leader of the Opposition the twenty-fifth rendition of the same speech he has been making for some months. I will say a few things about it but there are not many things to respond to because most of what he said has been said before and most of it comprised the reading of newspaper articles. I am happy to listen to this all again, but members opposite are boring members in here, the public and everybody else with this issue.

Mr Hassell: And we will continue doing it.

Mr PARKER: The member for Cottesloe can continue to do that. I am prepared to sit here and be bored for the benefit of the Opposition. I do not mind that; we have to be here, so we might as well be listening to these types of speeches.

Mr McNee: Why does the Treasurer not address the matter?

Mr PARKER: I will come to the point in a moment. I just wonder whether this does any good, particularly for the Opposition. There was one allegation made by the member for Avon without a scintilla of basis, proof or evidence which I emphatically reject. I felt so strongly about the matter that I did so by way of interjection, but I will do it again now. The point I am making is that the rest of the matters have been dealt with.

Mr Lewis: Does the Treasurer accept the rest?

Several members interjected.

The DEPUTY SPEAKER: Order!

Mr PARKER: I do not accept any of the rest of it. One of the things that astonishes me is that if the Opposition finds a single word in the speech made by anyone on this side of the House that they think is not strictly accurate they bray, cry and scream about misleading the House and hiding facts from the public. However, members opposite feel that they can come into this House with impunity and say whatever they like without any reference whatever to the truth. If they are proven to be false then they say that that is just fair game, just the Opposition doing its job; they can say whatever they like and it is up to the Government to disprove it. That is the Opposition's position.

The comment that I was particularly distressed to hear from the member for Avon, because it seemed to be a flagrant abuse of the procedures of this House, was untrue and had no basis in fact whatever, and about which he provided absolutely no basis for his claim, was that for some reason the SGIC or the SGIO was not paying out claims and was not paying debts it incurred because of a cash flow problem. There is no truth to that whatsoever.

Mr Trenorden: There is, absolutely.

Mr PARKER: I challenge the member for Avon, or anybody else in the Opposition, to come up with any evidence whatsoever which proves, or even suggests, that there is any basis for anyone to think that the SGIC is not paying its accounts or not paying claims against it on the basis of a cash flow problem. All insurance companies dispute claims. All insurance companies require proof of claims. I have as a Minister constantly - not only in the past few months when I have been Minister for the SGIC but whenever I have been the Minister for a statutory authority or Government department - been involved over the past seven years with letters from people claiming that for some reason or other the authority or department had not paid its accounts on time.

We have a rule in Government that accounts should be paid within 30 days and that is why people write to us. It is true that from time to time some departments and statutory authorities ignore those rules or do not obey them altogether. That is one issue. When these issues arise we take them up with the department and correct them. We can only do that as often as the matters are brought to our attention. We are constantly reminding departments and authorities about their obligations in this regard. Quite often when the complaints that we get are actually investigated they turn out to have arisen because there is a disputed claim. That is the case in relation to the normal rendering of accounts with organisations like the SEC, for example. Quite often during the nearly six years I was responsible for that statutory authority I received complaints which, when investigated - and often not by me but by the Ombudsman and others - showed there was no basis for the claims being made. The SEC was not paying not because of tardiness or a cash flow problem but simply because there was a problem with the nature of the claim made against it.

A huge number of the SGIC's transactions are by way of claims for insurance, claims for bills that could be paid by an insurer, whether medical or pharmaceutical, or payment for workers compensation or other insured persons or agencies. Often of course, there are disputes. I have had letters from people wanting to argue that the SGIO should admit their claim when it has not, or letters from people saying that the SGIO has not been quick enough in responding to their claim. As with other insurers there are people who tell me in relation to asbestosis claims - which are a matter of current concern - that the SGIO, perhaps together with CSR, is not paying out. Depending on who is making that claim, the person involved will blame either SGIO or CSR more. Those matters, of course, arise in any insurance business and are likely to arise, but it has not once been suggested to me in the seven or eight months that I have been responsible for this statutory authority that the SGIO has not paid out on the basis of a lack of cash flow. I make clear that I have regular meetings with the chairman of the SGIO and the SGIC and he has never suggested to me that the SGIO has a cash flow problem which would prevent it paying its accounts or claims. There is no evidence whatever of that.

It is all very well for the Leader of the Opposition to say that he has a secret report. If we had such a report he would be baying to the moon for it to be tabled. Whether he wants to table it or not, I simply draw attention in that regard to the double standards evinced by the Leader of the Opposition. Whether or not he wants it tabled, the fact of the matter is that there is no evidence, no external evidence, in relation to this matter. The member for Avon has said that I will receive phone calls about this matter. I want evidence. If he can provide evidence, either directly or by getting people who have suggested to him that that is the case, then I will examine it urgently because there is no basis for it. The cash flows of the SGIC and the SGIO are more than adequate to the task of paying all their accounts.

It has been possible to provide for even the quite extraordinary, unforeseen and unfunded claims relating to asbestosis without any injection of taxpayers' funds as a result of the investment strength of the SGIO. These claims were unfunded by increased premiums with respect to asbestosis claims which nobody could have foreseen at the time. Provision for these claims was not incorporated into the premium incomes and premium rates which were struck for the mining company concerned. It has been possible to provide for even those huge amounts of money - millions of dollars paid out - including the \$15 million provision allowed for by the SGIC.

I can remember when the Cabinet, when we first came into Government, considered extending the opportunity for people to sue for injuries or illness arising out of the tragedy at Wittenoom. The Opposition would not let those people sue during the time it was in Government. That was one of the issues raised when we were examining whether to extend the ability for people to sue beyond the normal limitation period because of the way the

disease develops over the decades. The action taken by the Government was a courageous and very unusual one. At that time, with the SGIO as it was, we thought a large-scale injection of taxpayers' funds would be necessary. The SGIO had not funded those liabilities in the past because it had not known the liabilities would arise. Perhaps the insured company might have known, but the SGIO was not in a position to know. We thought, when we provided that extraordinary ability for people to sue in ways in which they were not otherwise able to do, that we might have to inject very substantial amounts of taxpayers' funds to satisfy those demands. We made a policy decision that we would be prepared to do that because we believed we had an obligation to the people subjected to the tragedy of Wittenoom and to their families. In fact the experience has been that due to the financial strength of the SGIO we have been able to, and will be able to continue, to fund those claims in that extraordinary amount of litigation. An extraordinary amount of money is being paid out to the victims of that tragedy from the cash flow operations of the SGIO without resort to taxpayers' funds.

Mr Shave: Why did you say during question time that money had been taken and given to the SGIO?

Mr PARKER: I did not say that. Let us get it right. What I said was that in the ordinary course of business every business borrows and repays money. That is what happened with the SGIO. Over a total asset base of about \$1.2 billion, a very small proportion of the requirements of the SGIO has been borrowed. The SGIO and the SGIC, like all other statutory authorities of Government, can borrow if they desire from the WA Treasury Corporation which was specifically set up for that purpose. No money has been given, but money has been lent in the normal way.

Mr Trenorden: Is any outstanding?

Mr PARKER: I do not know whether any is outstanding. If the member asks me a question on notice I shall find out and let him know, but whether it is outstanding is irrelevant, because it would be extraordinary for an organisation like that not to borrow money. Is the member suggesting that NML and AMP do not borrow money? Of course they do. They borrow funds, just as do BHP, CSR, CRA, Coles Myer and all those large companies. It is not because they are insolvent, or because they have cash flow problems, but because it is a prudent and sensible measure from time to time to fund some activities by borrowing. If the member is suggesting that borrowing money is a sign of financial imprudence or insolvency, I suggest he talk to every company on the register of the top 500 companies in Australia and ask them why they are borrowing money. It is ridiculous to suggest that the SGIO's borrowing money suggests some form of impecuniousness on behalf of that organisation. The member for Avon made the extraordinary statement that the SGIC put \$100 million into United Credit Society.

Mr Trenorden: I said \$10 million.

Mr PARKER: The member said \$100 million, actually.

Mr Pearce: He has cut back his claim by 90 per cent already.

Mr PARKER: We have gone from \$100 million down to \$10 million. I was prepared to indicate that while I am not aware of the detail, I would be pretty confident that \$100 million had not gone to United Credit Society. I cannot comment on whether \$10 million did. United Credit Society is a reputable institution; it is so reputable that other credit societies have used it from time to time to take over other institutions which have not been so well served.

The Leader of the Opposition had the effrontery to say that the speech of the member for Cottesloe earlier this week - or perhaps it was last week - about the discussions surrounding the third or fourth week in October proved beyond doubt Bond Corporation's position in relation to the indemnity. That speech proved only two things. The first is that he is in receipt of correspondence and advice provided to him by Bond Corporation. That is proved because the letters to which he is referring can have been provided to him only by Bond Corporation.

Mr Hassell: That is what you think. Have you checked your own department?

Mr PARKER: Many of those things did not ever go to our department. The second thing the member proved was that he knows how to parrot the Bond Corporation line very effectively.

Being a lawyer he can take a brief and act on behalf of his clients. In this instance his client is Bond Corporation, and he is representing it here in this House. I have been told that during his time in the law the member for Cottesloe was not tardy in charging fees; I do not know whether he is charging any on this occasion. No proof whatsoever is contained in the statements of the member for Cottesloe a few days ago. He certainly made allegations, and he certainly talked about particular meetings, but without having been involved in those meetings and without being able to comment personally on the veracity of what he said, even if one accepts that every single thing he said was true - and I do not - nothing in his speech proves anything of the sort outlined by the Leader of the Opposition.

Let me comment on the various share transactions of the SGIO. If we were to go through the accounts of the various insurance companies in Australia such as AMP, NML and so on -

Mr Trenorden: I am not talking about life insurance; why not talk about general insurance?

Mr PARKER: These companies deal with both life and general insurance.

Mr Trenorden: I would like to know how many of those shares these companies have on their registers. I would say absolutely none. I would take a wager on that.

Mr PARKER: I happen to know that a number of the largest insurance companies in this town have had on their books - and if they do not have them now it means they have sold them at considerable loss - some of the Bell Convertible Notes which we are criticised for having. I received recently an asset register of various Bond Corporation companies and I was astonished to see who were the holders of convertible notes in Bell Resources and Bell Group. They were some of the most reputable, substantial and long established names in the Australian corporate world, and in particular in the world of Australian financial institutions. If I have the opportunity I shall be happy to provide some of these details to the House. These companies are holders of the very same convertible notes which are held by the SGIC. In many cases they paid face value for them, which at least the State Government Insurance Commission did not; in many cases they bought them off market before they were issued.

Let me say simply that if one were to scrutinise each and every share transaction of AMP, NML, MLC or FIA - and particularly FIA - one would find all sorts of profits and losses in those accounts. The SGIC is, in the same way, bringing to account every year the profits and the losses it has made on various share transactions. The books of account at 30 June 1988 reflect the share transactions of that time. The books of account at 30 June 1989 reflect the unaudited accounts, which have been released; and ultimately the audited accounts will reflect the statement of affairs as at that time, which will take into account the profits and losses made on every share transaction. The important issue, whether it be for AMP, FIA, the various insurance and superannuation funds, or the SGIC, is not whether this or that share has made a profit or a loss, but what on balance is the overall return on the assets employed, and what is the profit on shareholders' funds.

Mr Trenorden interjected.

Mr PARKER: I think it probably is. In the case of the SGIC, the result at the end of the day is that the profit on total assets employed is 11 per cent, and the return on shareholders' funds this year is 26 per cent. That is a creditworthy result, and if it has been achieved after certain losses have been made on certain shares, then it is all the more creditworthy because it means that those losses have already been taken into account, and other profits must have been made in other areas to make up for that. The SGIO and the SGIC take fully into account their profits and losses in each share transaction, and value the shares at market value at 30 June each year for the purpose of determining their asset valuation arrangements.

I say again, as I said previously by way of interjection, that I believe it is no accident at all that at this time when the SGIC is entering into the highly competitive life insurance market - an entry which was authorised by the very Act which is peripheral to the debate here tonight, and the debate yesterday - these attacks on its credibility are being made by the Opposition. The SGIC launched its life policies a month ago, and it is no accident that these allegations are now coming up. I believe that is the reason for the timing of these attacks.

Withdrawal of Remark

Mr HASSELL: This is the second time during the Treasurer's speech that he has inferred improper motives to the members of the Opposition who have raised matters of public

importance. That is a clear breach of the Standing Orders. I did not rise to my feet when the Treasurer accused me once again of acting for Bond Corporation; and that was grossly improper. He is now accusing members of the Opposition of acting on behalf of some other companies because of the SGIC's going into business. That is a shameful attack. The Treasurer can attack what we are saying as much as he likes, and he can attack the fact that we have brought up these matters, but he is not entitled under the Standing Orders to attack the activities of the Opposition in bringing forward these issues. We have on a number of occasions in recent days been forced by the Speaker to withdraw our remarks, and I submit to you, Mr Deputy Speaker, that the rules of this House have to be applied equally to both sides.

The DEPUTY SPEAKER: Standing Order No 132 does say, as the member for Cottesloe suggests, that all imputations of improper motives shall be considered highly disorderly. The interpretation of what is an imputation of improper motive is, of course, a matter of some subjectivity. I do believe, however, that the point of order raised has some validity, and I call on the Treasurer to consider my remarks in that regard.

Mr PARKER: I will oblige the Opposition; I withdraw any allegation of improper motives.

Debate Resumed

Mr PARKER: It is passing strange the coincidence that apparently exists between the timing of the entry by the SGIC into the life insurance market, and these allegations.

The member for Avon accused me of introducing confusion into the matter. He told the House yesterday in his speech that he did not want to take up the time of the House by reading section 33 of the SGIC Act, to which he referred at that time. That may well have been a very considerate way for him to have treated the House, and maybe we should thank him for that, because sections of Acts of Parliament are not, as we all know, terribly scintillating reading. However, it would have been particularly pleasant, and might have avoided the debate which followed - and, indeed, the debate this evening - had the member for Avon read the section himself.

Mr Trenorden: I have read the section.

Mr PARKER: If he has read the section, he has not understood it, because he has revealed once again, by way of various comments and interjections, that he does not understand the distinction between the commission and the corporation. He talked yesterday and tonight about how the corporation was intended to be the trading arm of the operation. The corporation is the trading arm, and it is because it is the trading arm, and the body issuing insurance policies, that it is the body which is required - not by Commonwealth legislation, but by legislation of this Parliament - to abide by an Act as though it were bound by the Commonwealth insurance legislation; and it does. The advice I have received from the corporation and from the commission is that it is in every respect abiding by section 33 of the Insurance Act. The member for Avon has not had the grace, having heard that explanation, to accept that on that issue at least he may have been wrong. This House resolved yesterday that it should refer those allegations to the parliamentary Public Accounts and Expenditure Review Committee, which has statutory responsibilities in this matter which were, as I recall it, insisted upon by the Opposition at the time.

Mr Trenorden interjected.

Mr PARKER: I understand that it was introduced after-

Mr Trenorden: You do not understand very well.

Mr PARKER: We can go back to the record to find out the truth of those matters. The way in which the member for Avon referred in particular to the audit of the SGIC is lacking in any factual basis, because it was the Auditor General who said - not I, but an officer of this Parliament - that the financial audit for the SGIC for the 1987-88 financial year, which was tabled in this House in January, was carried out on his behalf by the firm of McLaren & Stewart.

I am not in a position at this time of night to find out whether absolutely everything was done by McLaren & Stewart or whether they did some of it and the Auditor General did some of it. The Auditor General says he had it done by McLaren & Stewart. If the member for Avon wants to say that the Auditor General did some of it himself I am not in a position to dispute

that - I simply do not know. But so what? Is the member for Avon saying that the level of audit likely to be required by McLaren & Stewart is any greater than that required by the Auditor General? If the member is suggesting that more of the audit than I suggested was done by the Auditor General, perhaps he could take that up in terms of the report the Attorney General made to this House but, in respect of that, so what? If the Auditor General did the audit, that should enhance the confidence the member for Avon has in the audit of the SGIC.

The Auditor General has the powers to use private auditors and he does, not just with regard to the SGIC; he has been using them quite a lot in recent times. Of course, that is a very worthwhile initiative. Not only does it have the benefit of lessening the pressure on the Auditor General and his office, but also it means private audit firms obtain support and work and also obtain an insight into the way in which Government operates and the interrelationship between the people in the audit world, who often move between the private and public sectors. As well, the understandings that can be obtained by private audit firms or chartered accountants can be enhanced. That is a positive initiative and I believe it should be applauded.

Yesterday I read extensively from the Auditor General's report. Of course, the Auditor General indicated that he understood very well that the SGIC was formulating and developing its investment policies and investment division. In every organisation, especially a large organisation and especially one which is undergoing change, there will be some disaffected people. I know of the person who was referred to - I cannot remember whether by the member for Avon or the Leader of the Opposition - who apparently has told the Opposition he resigned because he did not want to be directed. That person left because, at the time when the SGIC was substantially upgrading, the staff and the people in senior levels within the organisation -

The SPEAKER: Order! All of the members who are reading their newspapers in the Chamber at the moment might not have been in here yesterday when I made a very special request of members to be very careful about reading papers in the Chamber. I do not think it is an acceptable practice. It certainly is not a practice which is accepted in most Parliaments. It is a practice which, in latter weeks in this place, has been abused, in my view, to the extreme and I just ask members to consider reading their newspapers, if it is necessary, behind the dais, in their offices, or perhaps in my corridor. That would create a much better impression than having so many members reading papers while debates are going on.

Mr PARKER: While absolutely agreeing with your ruling, Mr Speaker, might I say that so much of the Opposition's debate involves reading articles from newspapers that perhaps that could be addressed by the Standing Orders as well.

Mr Lewis: None of the Opposition were reading newspapers then - it was all your mob.

Mr PARKER: Nonsense. The Leader of the Opposition was.

The SPEAKER: Order!

Mr Lewis: The Leader of the House was the main offender.

The SPEAKER: Order! It is not a matter of who was doing it. People on both sides of the House were doing it. It is just a practice that I think has got out of hand. It does not matter who was doing it - people were doing it. Let us get on with the debate.

Mr PARKER: For all the Opposition's good, we might as well simply go to our rooms permanently and read the newspapers because we would get just the same information, although a few months earlier than the Opposition gives it.

In his audit the Auditor General, while accepting that there were some things that needed changing in terms of the accountability of the SGIC, and while submitting some things needed changing in terms of the way in which it ran and controlled its investment decisions, also went on to say that he was satisfied at that time with the way in which it was proceeding.

Mr Trenorden: Are you going to respond to the debate?

Mr PARKER: I have been responding to the debate. The member for Avon did not speak to his own motion, he simply trotted out the same tired old lines which he trotted out yesterday and last Thursday.

Mr Trenorden interjected.

Mr PARKER: Yes, I do. I do not believe there is any substance at all to the proposed resolution before the House. I believe that the decision that this House made yesterday to refer the allegations made by the member for Avon and my response to the Public Accounts and Expenditure Review Committee of this House is an appropriate measure to have been taken. It was decided upon by this House and I believe the suggestion that this House should now pass a resolution calling for another inquiry into the matter is totally out of line and should be opposed. The Government strongly opposes this motion.

Debate adjourned, on motion by Mr House.

FISHERIES AMENDMENT BILL

Second Reading

MR HOUSE (Stirling) [10.27 pm]: I move -

That the Bill be now read a second time.

Foreign ownership of Western Australian property and businesses is an issue of major concern throughout the community. Members will be aware of a notice of motion under my name that deals with this as a broad issue. This Bill deals with the narrower issue of foreign ownership in the fishing industry.

The purpose of the Bill is to enable the Director of Fisheries to refuse the granting or transfer of a processor's licence where he is satisfied that the proposed grant or transfer is not in the best interests of the fishing industry. The Bill is the direct consequence of a recent attempt by Japanese interests to increase the level of foreign ownership in Western Australia's rock lobster processing industry. It is appropriate to explain why increased foreign ownership in the rock lobster industry may not be in the industry's best interests, or in the interests of the State.

In the rock lobster industry the processors are, in effect, also the agents responsible for marketing this valuable Western Australian export. The worst thing that could happen would be for the end user to control the marketing. This is precisely what the industry feared may happen if no action had been taken to prevent the sale of Planet Fisheries to Chunagon earlier this year. If an end user gains control of marketing through the establishment of a buyer monopoly or cartel, or through collusion with other buyers, there is a clear incentive to force prices down, thereby depriving Western Australia of valuable export dollars and threatening the viability of other processors in the Western Australian rock lobster industry. As some members are aware, there are moves towards offshore control of some of Australia's other primary industries. The rock lobster industry is not a case in isolation.

In the case of the proposed purchase of Planet Fisheries by Chunagon, the Commonwealth intervened and the sale was prevented, but the experience did highlight the deficiency of the Western Australian legislation. It should not be necessary for the Western Australian rock lobster industry to have to rely on intervention by future Commonwealth Governments in order to retain control of its own industry. This amendment will ensure that Western Australia can act to prevent an increase in the extent of foreign ownership in the rock lobster and other sectors of its fishing industry, where it can be shown that such an increase is against the interests of the industry.

It was interesting to read a statement in today's *The West Australian* in which the Minister is reported as saying he will introduce legislation that will do precisely what is proposed in this Bill. I assume the Minister was either misreported or had failed to make himself clear to the journalist. This Bill was introduced into another place five months ago. Page 1815 of *Hansard* of 6 September 1989 records the Minister representing the Minister for Fisheries in that place as saying, and I quote -

The Government supports the Bill.

On page 1819 of the same *Hansard*, Hon Jim Brown is recorded as saying, and again I quote -

It is no secret that the Minister for Fisheries, Hon Gordon Hill, has agreed to this Bill and has applauded its introduction.

The Liberal Party has supported this Bill with much enthusiasm and I place on the record the appreciation of the National Party for that.

If today's newspaper article is correct, it means the Minister is intending to leave the Western Australian crayfishing industry exposed for even longer. I cannot believe a responsible Minister would do that just to claim the kudos for something initiated by the National Party in close cooperation with the industry. I am aware the Minister has announced his intention to introduce further amendments to the Act. But, as was so clearly demonstrated in another place, there is enthusiastic all-party support for this Bill. The industry regards this Bill as important, so I hope we can proceed with it as quickly as Standing Orders permit. I appeal to the Minister not to delay this legislation for the sake of party politics. This is a good Bill, and everyone agrees with that. It is also an urgent Bill. Let us put party political games to one side and get this Bill passed. Once the Bill is passed, the Minister is welcome to proceed with whatever further amendments he considers necessary or desirable. I assure him that the National Party will give his further amendments further consideration, and I have no doubt the Liberal Party will do likewise. As it has the support of the industry and all three parties in this Parliament, I commend the Bill to the House.

Debate adjourned, on motion by Mr Pearce (Leader of the House).

MOTION - SELECT COMMITTEE

Land Use and Soil Rehabilitation

MR HOUSE (Stirling) [10.31 pm]: I move -

That a Select Committee be established to inquire into and report on -

- (1) the appropriate means of resourcing the efforts of Land Conservation District Committees and coordinating a Statewide strategy for land use and soil rehabilitation;
- (2) the possible role of Government in purchasing land that is beyond private resources to rehabilitate and which it is considered in the community interest should be rehabilitated or protected;
- (3) the role of the Department of Conservation and Land Management and other Government agencies in soil rehabilitation and its relationship and involvement with the Soil Conservation Commissioner, Land Conservation District Committees and environmental protection groups;
- (4) the social and economic cost and benefits of large-scale reafforestation;
- (5) the appropriate sharing of financial responsibility for soil rehabilitation strategies and programs between the State Government, the Commonwealth, local government and private landholders; and
- (6) legislative measures that would be necessary to implement the Select Committee's recommendations.

I have a great deal of pleasure in moving this motion. There is no question that environmental matters are of great importance to Western Australia as a particular entity. While environmental matters have come to the fore publicly in a very large way in recent times, it is fair to say that a great many people in agricultural areas have been well aware of some of the problems we have faced for a great deal longer than the environment has been an issue grabbing headlines around the country. There is no doubt that the state of the environment is a challenge which faces every Australian citizen, not just those of us who own land in rural areas, who live in the country or who are fortunate enough to live in beautiful spots around the State, such as Denmark and the south coastal region. It is an issue which affects everyone wherever we live in this State. I make that point because it is important that city people - the people who live in urbanised areas - understand they also have a responsibility to land and soil conservation.

This committee will have to inquire into and report on many things. We are all aware of some issues, and I am sure that when the committee takes evidence a lot of things of which we are now not so aware will come to the fore. However, I have set personal goals about how we will pursue that challenge. I am sure that the members who have been nominated to

me by the parties in this Parliament to be members of that committee will pursue their duties with a great deal of vigour. I am sure we will all do our best in an absolutely tripartisan and nonpolitical way in order to achieve the best result for Western Australia. I am very confident the committee will achieve those things.

It is also important that I mention the great work done by a lot of dedicated people in the community who until this date have worked largely unaided in soil conservation districts throughout Western Australia. There are something like 100 soil conservation districts, and every one of those is self driven, self motivated and in most cases self financed. It is a great credit to them that these people, with their ability, their drive and initiative, have come this far without assistance of any great sort. However, times change, and it is time the Government made clear to these people the areas in which it, the Commonwealth Government and local government will be involved. As we enter the decade of soil conservation, which starts in January 1990, it is absolutely appropriate that this Parliament not only becomes aware of these issues in the community, but also puts into the legislative framework a way of dealing with the problems it identifies.

Protecting the environment is not a new thing. It has been carried out by farmers for many years. However, it is fair to say that we have made mistakes in times gone by. The people who wanted more trees to be planted, more contoured banks to be implemented and a whole range of other conservation issues to be put into place were for a long time very much voices crying in the wilderness. Their cause has now been justified. We must take steps to ensure that the effort that went into clearing land in the 1950s and the 1960s is now put into rehabilitating some of the land denuded by the over-farming and over-clearing practices which have occurred since then. I know a great many people will read this debate in *Hansard*, so I would make a couple of things very clear. It is not the intention of this Select Committee to take away the self driven initiative of local people in regard to soil conservation. Indeed, quite the contrary is the case: It is our intention - and the hope and wish I am sure of every member of that committee - that the opposite applies - that is, that those people stay in control of their initiatives, but that Governments help wherever possible. It is also very important that I make it clear that I believe Graham Robertson, the Soil Conservation Commissioner in this State, is a man without peer, and a man who has done a fantastic job. He has put a lot of time and work into his job, and it stands without question and challenge that he could not have done that job any better. I hope that this committee will assist him in every way possible.

I could make the same comments with regard to the Department of Agriculture because so many of its officers have done a magnificent job in the field of soil conservation. I seek to ensure they retain their place in the Soil and Land Conservation Act as the prime initiators in the legislation.

The state of the environment is a challenge which faces all of us. My understanding is that the Liberal Party will support the motion, as will the Government. I thank the Premier, the Minister for Agriculture, the Leader of the Opposition, and the Liberal Party spokesman on agriculture for their support. It is fair to say that they have not criticised the motion in any way; they actively support it. I am pleased to have the opportunity to move the motion, and I hope that the committee will report back to Parliament in future with positive moves that will assist the State with regard to soil conservation and land management - moves which will set in train, over the next couple of decades, rehabilitation in these areas.

MR BRIDGE (Kimberley - Minister for Agriculture) [10.41 pm]: I second the motion. I am happy to indicate that the Government supports the proposal. This is a matter which has been discussed at length by the Deputy Leader of the National Party and the Government, and the basis upon which the Select Committee's structure is intended is something with which we are happy to go along. Generally speaking, the Deputy Leader of the National Party has highlighted the importance that we all attach to the soil conservation programs operating in the State, and the importance that ought to be attached to this problem. That is best demonstrated by the number of land conservation districts which have been identified in the State. About 100-odd committees have been set up in the various districts. That indicates the degree of support that has been forthcoming as a result of community concerns and interest. Without that interest and that cooperation, of course, it stands to reason we would not be able to put in place such a large number of committees which, I understand, are working effectively in the field and presenting a very effective strategy to deal with the problem.

It is one thing for the Government, and people in the political arena, to express the anxieties we have about the problem and to talk about its importance in terms of seeking solutions, but when all is said and done, the most effective way to get on with the job is to get the community on side, particularly those people directly affected by the problems associated with land degradation. To that end, we have to applaud the degree of participation of the public generally and, of course, tell them that our reliance on their involvement is significant and essential to the success of this scheme.

In the recent Budget we have allocated a sizeable amount of money to support these committees and their operations. Nonetheless, as their operations expand, funds will be made available to ensure they continue to operate in an effective manner. Quite apart from the willingness of people to make themselves available as members of a committee, there is also the ongoing requirement to ensure adequate resources such as technical services and facilities, and research which needs to be carried out at Government level - which is not something which we can necessarily rely upon the committees to perform. It is in that area where there is ongoing commitment to funding which will be critical if we are to see maximum results coming out of the great number of land conservation district committees.

The terms of reference of the Select Committee encompass those areas of need, as it does a number of other features, and an all embracing examination of the best ways to ensure continuity of the scheme. No doubt over the years we can advance the preparation of planning to ensure that soil conservation is dealt with in a way in which, at the end of a certain time, the restoration of many areas within the State will come about.

The Government is happy to support the National Party's motion. I say to the Deputy Leader of the National Party that, as I have outlined, the Government has deliberately committed funds to the existing strategy plans which are in place. A large number of districts have already been identified. In addition other initiatives are either in the process of being put in place or are about to be launched by the State Government. I hope that they are allowed to proceed and are not disrupted by the formation and operations of the Select Committee.

Mr House: The Select Committee will not seek to be cutting across those programs, either State Government or Federal Government initiated. On the contrary, we will work in cooperation with those initiatives.

Mr BRIDGE: That assurance is important. It is the only area in which I had reservations about the formation of the Select Committee. In the light of that assurance by the Deputy Leader of the National Party we are happy about the formation of the Select Committee. Accordingly, we support the motion.

MR OMODEI (Warren) [10.47 pm]: I support the motion. I had intended to move amendments to add the words "water rehabilitation". However, I understand that the amendments are not acceptable to either the Government or the National Party. On that basis, rather than upset my colleagues in the National Party, I support the motion.

It is important that water rehabilitation is addressed; I will be pursuing that issue at a later date. The previous speakers have indicated a willingness to address the problem. Land degradation is one problem which has a high priority in Western Australia at the moment. We have heard a lot about "strategies" - it is a word which is used a lot in politics today. No strategy has worked as far as land rehabilitation is concerned. The soil conservation districts committees have worked very hard, and the 104 districts which are being funded on a fairly meagre basis by the Government need to be bolstered. I understand some organisations in the community, including Alcoa, are putting a proposition to the Government to strengthen land conservation districts. The area of land degradation is important and, I believe, the water quality and the rising water table is an integral part of the problem, hence my comments on water rehabilitation.

We have learned that the Government has allocated \$350 000 to the soil conservation district committees, which is not enough to solve the problems on the basis of the motion moved by the National Party, but it is a step in the right direction. As far as the resourcing of those districts is concerned, some of those likely to proceed, as in the past, need funding. There is no doubt that the issue needs to be addressed from the point of view of resources. The involvement of the Department of Agriculture and Department of Conservation and Land Management needs to be addressed, although the Department of Agriculture, through the soil

commissioner, has done an excellent job in addressing those problems to date. As a chairman of a land conservation district, I welcome the motion. The terms of reference of the Select Committee will enhance the efforts being carried out at the moment. I am sure the question of land degradation will be addressed. The social and economic impact in cases of large scale reafforestation by CALM is among the questions of greatest concern which need to be addressed. Members will be aware of the need to reafforest the land to combat land degradation, which will mean the planting of forests, and this will affect farming areas. That is something I look forward to with some interest. The matter of sharing the financial responsibility between the State Government, the Federal Government, local government and local land holders is an area of importance for the Select Committee inquiry. Land degradation on Crown land as well as privately owned land is an area of concern. The proposals for the Select Committee are worthwhile and members of the Liberal Party support its establishment.

Question put and passed.

Appointment of Select Committee

On motion by Mr House, resolved -

That the following members be appointed to serve on the Select Committee together with the mover - The member for Pilbara (Mr Graham), the member for Murray (Mr Read), the member for Victoria Park (Dr Gallop), the member for Moore (Mr McNee).

On further motion by Mr House, resolved -

That the committee have power to call for persons and papers, to sit on days over which the House stands adjourned, to move from place to place, and to report on 31 March 1990.

MOTION - SELECT COMMITTEE

Tidal Power Energy, Kimberley - Feasibility Study

MR THOMPSON (Darling Range) [10.55 pm]: I move -

That a Select Committee be established to -

- (1) examine the feasibility of commercially producing electrical energy by harnessing the ocean tides of the Kimberley region of Western Australia;
- (2) examine the prospect of building a transmission system capable of delivering power from the Kimberley region to populated centres in Western Australia and other parts of Australia; and
- (3) explore the possibility of downstream processing of the vast mineral resources of the Kimberley and Pilbara regions, using tidal power energy and north west natural gas.

That the Select Committee be required to take particular note of the environmental positives and negatives with respect to (1), (2) and (3) above.

I protest in the strongest possible terms about being given five minutes in which to move this motion. I say that the business of the House today has been engineered deliberately in a way designed not to allow me to speak at all. The motion I bring to the House tonight does not have the support of the Parliamentary Liberal Party. The Parliamentary Liberal Party has become so negative in recent times that when one of its members comes forward with a positive initiative, action is taken to ensure that that person does not get an opportunity because he may appear to detract from one of its front bench people. The Deputy Leader of the Opposition has fought tooth and nail to have me denied the opportunity of bringing this matter before the House. He opposed the matter in the party room and has orchestrated the business of the House tonight in a way that has been designed to preclude me from getting to my feet. The Leader of the House told me that there was no way that the agenda set out by the Opposition could be met and he could still adhere to the commitment of the Government to have the House rise by 11.00 pm. I have been around here long enough to know that if there is a will to thwart someone from doing something, it can be achieved. At the time of my parliamentary career when it mattered most I chose to speak my mind and stand up to

this guy's father. I am bloody sure that I am not going to be pushed around by a person, who in my view has all the arrogance and downside of his old man, but half the brains.

I bring this matter before the House in a very serious way, a quarter of a century after a far-sighted Government, the Brand Government, embarked on a massive program to industrialise Western Australia. From that time, we have progressed no further than being a State of miners. The original intention of exporting minerals from Western Australia was to generate a cash flow so that the downstream processing of those minerals might follow. We are now a quarter of a century down that track and we are no further advanced with the downstream processing of our resources. It is time this Parliament took a very close look at that situation. Can members tell me of another country which would allow its energy and mineral resources to be exported as we are exporting them, and not attempt to do something about putting them into produce? Would pre-industrial England have become industrialised if it had not imported the resources it required and as a result became great because it was industrialised? I suggest that other countries would not have a bar of exporting their resources in the way we have. I commend the Court Government for taking the initiative to develop the North West Shelf. It was a courageous decision made by a Government with foresight. The project had some downsides, but it is folly to be exporting our resources in the way we are.

This motion is intended to try to bring together our resources and harness them in a way that will generate a strong economy that will raise the standard of living. In the last 20 years Australia has suffered a severe decline in its standard of living. We can redress that by undertaking to downstream process our resources. We have, in the region of which I speak, vast quantities of mineral resources and energy in abundance. Those factors should be brought together to ensure the maximum benefit for Western Australia, and not for the Japanese. I do not decry the contracts written with the Japanese, as they are of economic benefit; but the benefits would be greater if those resources were used to facilitate the establishment of industry in this State. I was excited years ago when I first learned about the tidal power of the Kimberley. One of the problems in tapping that vast power source is the lack of a base load to be able to justify the massive expenditure of harnessing those resources. However, surely the processing of the minerals must provide an opportunity for us to establish the base load.

Mr Parker: The advent of superconductors might help as well because you can transmit it.

Mr THOMPSON: Exactly; that is part of this motion. I call on the House to look at the feasibility of the transmission of that power to other parts of this State and to other parts of Australia.

Some quite remarkable breakthroughs have been made in the transmission of electrical energy in recent times. The technology relating to the harnessing of the tides is well established and a tidal power station exists on the Brittany coast of France at the mouth of the Rance River. It has been in existence for 15 years and produces 240 megawatts of electricity. Although it has had to be connected to a grid that has a number of other energy sources, it provides a valuable contribution to the French system.

The tidal power sites that we have in the north of this State are exciting by world standards. If other countries of the world had them I am sure they would be looking more closely at them. It is not as though these things have not attracted the attention of people in this State who recognise the value of them. In the early 1960's, following a paper written by a young engineer in this State, John Lewis, the Brand Government commissioned a study into tidal power. Don Saunders now of the State Energy Commission -

Mr Parker: He is now the head of the energy planning unit.

Mr THOMPSON: Yes. He, at the request of the Government, undertook an examination of the tidal power resources of the Kimberley in 1975. That is a long time ago. Many things have changed in that time, not the least of which has been the realisation that fossil fuels are damaging the environment, and that, politically, it is beyond the capacity and ability of Government to harness nuclear power in Australia. I do not think that idea can survive. I believe, therefore, that, against that background, it is time to look again at the prospect of harnessing the tidal power resources of the Kimberley. Environmentally, that is very sensible.

Mr Parker: I am surprised that the Parliamentary Liberal Party did not support you.

Mr THOMPSON: I do not know why, except, of course, that there is this syndrome about which I spoke earlier. There is a front bench, and if the ideas do not come from the members on that bench, they do not want to hear about them. One of the things that motivated some of the people when the decision was made not to support my motion was that they wanted to make this a political exercise. We should be mature enough in this Parliament to look at things on a bipartisan basis for the good of this nation and of this State. However, there are people in this Parliament, on both sides, who want to politicise everything. This matter should be approached on a non-party basis. I am happy to say that I have had a commitment from the National Party that it will provide me with a seconder because no Liberal has indicated a willingness to second my motion. I have only a short time available to me -

Mr Pearce: We are prepared to hear your whole speech. We are interested in supporting you.

Mr THOMPSON: I thank the Minister, because there are time constraints on me.

Mr Pearce: We hope you will not impinge too much on our generosity.

Mr THOMPSON: I will not go for long.

There are times in this Parliament when we should look at the broader issues, the wider picture. This is the time for Western Australians to think about their future and to think about where the State is going philosophically. This Government is a "me too" Government. It has emulated Governments before it. It has gone down the track of exporting the minerals that were discovered to other countries without very much attention being paid to the downstream processing of those minerals.

I made a speech in this House, I think in 1972, in which I made the prediction that, with the mineral resources of this State, coupled with the energy resources that were discovered on the North West Shelf, we had the ingredients to make this country one of the wealthiest nations on earth. We still have that capacity. It is time that this Parliament took a serious look at the way this country is going with a view to looking after the future of the people of this nation.

As I have said, it is not as though the technology for harnessing tidal power has not been established. The French and others have harnessed the tides and are producing energy which is environmentally clean and which, once established, is reasonably inexpensive. However, one has to accept that the capital cost is very significant. I commend the Minister for Water Resources for taking a farsighted look at the provision of reticulated water for the Perth metropolitan region. If all decisions in this State and this country were made on the basis of economics, we would not have had a Kalgoorlie pipeline, an Ord River Dam, a North West Shelf gas project, or the great Snowy Mountains hydroelectric scheme of which all Australians are proud. I remember the words of Sir William Hudson, the Chairman of the Snowy Mountains Authority, who commented on an article which was designed to analyse the work of that authority. That work was undertaken for three specific reasons although there were peripheral ones. The first reason the scheme was established was to control the floods that beset the eastern seaboard from the untamed rivers of the Snowy Mountains. The second was to provide irrigation water for the western side of that great mountain range. The third reason was to produce power. In that article, the author very analytically examined each of those items separately. In looking at them individually, there could be no justification for the huge expenditure on that project. Even if the three reasons are considered together, it is still fairly hard to justify that massive injection of capital. However, the words of Sir William Hudson still ring in my ears. He said that there is no economic substitute for faith in the future. It was faith in the future of this nation that caused C.Y. O'Connor and those who supported him to develop a pipeline to Kalgoorlie. If that project were looked at only in economic terms, it could not have been justified in a fit.

Mr Parker: The critical question of the Snowy Mountains scheme was cheap Commonwealth money. The electricity ratepayers of New South Wales and Victoria are the beneficiaries of that. On that basis and in respect of your tidal power arrangement, it is possible to expect that the costs of that should be borne by the Commonwealth.

Mr THOMPSON: That is true. In the articles that have been written by the engineers who examined that project, that point is raised. The lead time for establishing a tidal power station is approximately 15 years. The lead time for establishing a conventional coal fired

power station is approximately six years. The capital cost for establishing a tidal power station is exceptionally high. If the project is going to succeed, it needs to be undertaken as a national project. However, we cannot expect the people of New South Wales and Victoria to meet the cost of harnessing a tidal power resource in Western Australia. That has to be initiated by this State. It would be in the interests not only of Western Australia, but also of the nation as a whole. I certainly hope that if this Select Committee is appointed it will look at how this matter can be funded. It would be strictly in accordance with the terms of reference because it is looking at the feasibility of such a project and the financing of it should be part of it. This matter needs to be looked at again. It has been looked at in the past and has been rejected, but there have been significant changes in that time.

I noticed in a Press article today or yesterday that the State Energy Commission of Western Australia is negotiating to buy gas from a couple of producers because of the problem it faces in meeting the demand. A tidal power project would not be looked at in terms of being the next phase in the provision of power in this State. Surely, the next power station in the State has to be a coal fired power station if we are to meet the demand. The lead time required to establish a tidal power station is very long. However, if we do not put our hand to the plough at some stage it will not be achieved.

I will read to the House a summary which was appended to a report published in "The Journal of the Institution of Engineers, Australia", in 1963. The article was written by John Lewis and it has some relevance to what is occurring today. It reads -

This report summarises the tidal power resources of the whole northwest coast from La Grange Bay to Darwin Harbour. These sources total approximately 300,000 megawatts which is an astronomical figure compared to Australia's present installed power of about 6,000 megawatts.

This report was written in 1963 and things have changed since then. However, if we multiply 6 000 megawatts several times it would not be anywhere near the 300 000 megawatts available at that time. The article continues -

Some 25 possible proposals have been chosen which do not appear to have any insuperable problems and could prove economically attractive in detailed analysis. After comparison with similar schemes proposed in other parts of the world, the author has come to the conclusion that nowhere is there a better combination of high tidal range and topographic advantages. The best of the proposals are quite spectacular by world standards and probably form the largest block of hydro electric power in South East Asia.

This report is intended to focus attention on a large and virtually unknown national asset awaiting development by modern scientific and engineering methods. This could be the key to development of the overall resources of the western half of North Australia, and could play an outstanding part in the development of the nation generally.

Mr Speaker, I have regard for the time. I would like to have had the opportunity to expend the balance of the time available to me because it is a matter I feel quite passionate about.

Mr Pearce: Why don't you move to continue your remarks at a later stage?

Mr THOMPSON: I do not want to go through the fight of trying to get the opportunity to have the motion debated again.

Mr Pearce: We will have to do that anyway because the Government has a point of view on this. If you cannot get your side to agree to debate this again during private members' business the Government will provide the necessary time for the matter to be finalised.

Mr THOMPSON: In view of the advice from the Leader of the House I seek leave to continue my remarks at a later stage.

[Leave granted for speech to be continued.]

Debate thus adjourned.

House adjourned at 11.14 pm

QUESTIONS ON NOTICE

HOUSING - HOMESWEST

Metropolitan Region - Fully Developed Single Residential Sale Lots

501. Mr LEWIS to the Minister for Housing:

- (1) In the aggregate, how many fully developed single residential housing lots with separate certificates of title were available for sale by Homeswest in the metropolitan region as at 31 August 1989?
- (2) What were the specific number of lots available as above in the classification of suburbs, estate number, and average asking price as at 31 August 1989?

Mrs BEGGS replied:

See answer to question 500 of 29 August 1989.

MINISTER FOR POLICE AND EMERGENCY SERVICES - MEMBER FOR FLOREAT

Constituent, Bettes, Mr John H. - Letter Response

598. Mr MENSAROS to the Minister for Police and Emergency Services:

When can I expect a response to my letter to the Minister dated 16 January 1989, on behalf of my constituent, Mr John H. Bettes?

Mr TAYLOR replied:

I have replied to Mr Bettes and a copy of that reply has been sent to the member for his information.

HOTELS - "A SOUTHERN STRING OF PEARLS"

Establishment - Government Plans

760. Mr BRADSHAW to the Minister for Tourism:

- (1) As the Minister stated as Minister for Bunbury 2000 in 1983 that the State Government had plans for "a southern string of pearls" - the pearls being a string of 5 star hotels -
 - (a) does the Government still intend to establish such hotels; and
 - (b) why after six years have the hotels not been built?
- (2) When can we expect to see the "string of pearls"?

Mr GRILL replied:

(1)-(2)

Government policy implemented in 1983 has seen a string of new or extensively renovated prestige hotels established in the south west. They include Lord Forrest, Karri Valley Resort, Captain Freycinet, Margaret River Hotel, Naturaliste Resort Hotel, Ship Resort Hotel, Bradys Resort Hotel and Spinaway Hotel.

CONSERVATION WILDLIFE ACT 1950 - BREACHES

Prosecutions - Offences

763. Mr GRAYDEN to the Minister for Conservation and Land Management:

- (1) How many prosecutions have resulted from breaches of the Conservation Wildlife Act 1950 during each of the last five years?
- (2) What were the principal offences which occurred?
- (3) What range of penalties resulted from prosecutions for each of the principal offences?

Mr TAYLOR replied:

- (1) The numbers of prosecution cases resulting from breaches of the Wildlife Conservation Act 1950 over the last five years, for which information is available, are as follows -

1983-84 - 93.
 1984-85 - 66.
 1985-86 - 94.
 1986-87 - 105.
 1987-88 - 84.

- (2) The principal offences which occurred under the Act were -
- (a) illegal taking of protected fauna - section 16(1);
 - (b) unlawful possession of protected fauna - section 16A(1); and
 - (c) illegal taking of protected flora from Crown land - section 23B(1).
- (3) Fines for the principal offences under the Wildlife Conservation Act 1950 ranged as follows -
- Section 16(1) from \$40 to \$1 000.
 - Section 16A(1) from \$50 to \$500.
 - Section 23B(1) from \$20 to \$1 000.

The maximum fine for the above offences is \$4 000 and there is no minimum fine.

EDUCATION - SCHOOL CROSSINGS

Guard Controlled - Granting Guidelines

797. Mrs EDWARDES to the Minister for Police and Emergency Services:

What are the guidelines for the granting of guard controlled school crossings?

Mr TAYLOR replied:

Guidelines introduced in 1985 for guard-controlled school crossings require the following criteria -

- | | |
|--|---------|
| (1) Minimum number of pedestrians (per hour) | 20. |
| (2) Minimum number of vehicles (per hour) | 200. |
| (3) Minimum product | 15 000. |

For example, should there be a minimum of 10 pedestrians and a minimum of 1 500 vehicles passing through an area, the product would be 15 000. This would not meet the guidelines set as there must be a minimum of 20 pedestrians to meet the guidelines; however, other factors such as the age of children are taken into account.

Under special circumstances, the school crossings road safety committee may recommend the installation of a guard-controlled school crossing even though the requirements of the guidelines are not met. This may be at a location where the pedestrian count is less than 20 but the traffic volume is extremely high and the school crossings road safety committee is of the unanimous opinion that the guard-controlled crossing is appropriate.

GREENING AUSTRALIA (WA) INC - ANNUAL REPORT

Government Funding - Surplus

807. Mr WATT to the Minister for Conservation and Land Management:

- (1) As the annual report of Greening Australia (WA) Inc for 1989 shows a surplus of \$211 470 for the year ending 30 June 1989, why does the State Government provide \$137 500 and the Commonwealth Government \$50 000?
- (2) Is the Minister aware of any reason why funds were not spent?

Mr TAYLOR replied:

- (1) The State Government has a commitment to assist, where possible, recognised and effective conservation bodies. I believe the Commonwealth Government has a similar attitude. The amount of assistance provided by the State is reviewed annually. I expect much of the 1988-89 surplus will be applied to Greening Australia's operations this year.
- (2) No.

DUGONG - WESTERN AUSTRALIAN WATERS

Area identification

834. Mr GRAYDEN to the Minister for Conservation and Land Management:

- (1) What specific areas of Western Australian waters contain the extensive beds of sea grasses and other requirements necessary for the presence of dugong (*Dugong dugong*).
- (2) Has any attempt been made to identify and set aside areas in Western Australian waters suitable for the protection of dugong?

Mr TAYLOR replied:

- (1) From Shark Bay northwards, wherever there are relatively shallow and protected coastal waters, suitable habitat for dugong occur. Examples of specific areas are Shark Bay, eastern Exmouth Gulf, parts of the Dampier Archipelago and Roebuck Bay.
- (2) Yes. The Ningaloo Marine Park has reserved waters known to be suitable as dugong habitat. Action is under way to implement the creation of marine reserves in Shark Bay in accordance with the principles set down in the Shark Bay region plan, adopted by Cabinet in June 1988. In addition, a marine reserves selection working group is preparing a report on northern areas which may be suitable for marine reserves and particular attention is being paid to dugong populations and habitat.

DUGONG - WESTERN AUSTRALIAN WATERS

Survey Reports

835. Mr GRAYDEN to the Minister for Conservation and Land Management:

- (1) Are reports on the surveys of Dugong (*Dugong dugong*) which have been undertaken in Western Australia available for public perusal and, if so -
 - (a) by what titles are the reports known; and
 - (b) where are the reports available?
- (2) When is it anticipated that data from the dugong survey carried out in July 1989 for Shark Bay, Exmouth Gulf and part of Ningaloo Marine Park will be available?

Mr TAYLOR replied:

- (1) Papers reporting on dugong populations in Western Australia prior to July 1989 are available. They are as follows -

Prince, R.I.T., Anderson, P.K. and Blackman, D. (1981). Status and Distribution of Dugongs in Western Australia. *The Dugongs Proceedings of a Seminar/Workshop held at James Cook University, 8-13 May 1979*. (Ed. H.D. Marsh.) Pp 67-87 (James Cook University, Townsville).

Anderson (1982). Studies of Dugongs at Shark Bay, Western Australia. I. Analysis of Population Size, Composition, Dispersion and Habitat use on the Basis of Aerial Survey. *Australian Wildlife Research*, 9: 69-84.

Prince, R.I.T. (1985). Dugong in the Northern Waters of Western Australia 1984 CALM Tech. Report No 7, March 1986.

Anderson, P.K. (1986) Dugongs of Shark Bay, Australia - Seasonal Migration, Water Temperature and Forage. *National Geographic Research*, 2: 473-90.

Copies are available at the Department of Conservation and Land Management library and should be available from the State Library and Information Services.

- (2) A report on the July 1989 dugong population survey for Shark Bay, Exmouth Gulf and the northern part of the Ningaloo Marine Park is in preparation.

CONSUMER AFFAIRS - LEGISLATION BREACHES
Rural Offending Parties - Officer Pursuance Prevention

839. Mr TUBBY to the Minister for Consumer Affairs:

- (1) Adverting to question 744 of 1989, has the Minister been briefed by officers from the Ministry of Consumer Affairs as to why they are unable to pursue breaches of legislation where the offending party is situated outside the metropolitan area?
- (2) Is the Minister now in a position to explain the reason for this situation and, if yes, what is the reason?
- (3) Is the Minister now in a position to indicate how long this situation has existed and, if yes, for how long has it existed?
- (4) Assuming the Minister is now aware of circumstances within the Ministry of Consumer Affairs, is the Minister satisfied with this situation?
- (5) What action does the Minister now intend to take to ensure that legislation for which the Minister is responsible will be uniformly enforced throughout Western Australia?
- (6) If, since question 744 of 1989 was asked, the Minister has not been informed about the situation which exists within the Ministry of Consumer Affairs, when is the Minister likely to receive a briefing on this state of affairs?

Mrs HENDERSON replied:

(1)-(6)

The member's question is based on the false premise that ministry officers are unable to pursue breaches of legislation outside the metropolitan area. The ministry pursues breaches wherever they occur once it is established that investigation is warranted. The Ministry of Consumer Affairs organises its resources to obtain the maximum possible value in terms of pursuing breaches of legislation throughout the State.

In the year ending 30 June 1989, 14 traders in the country were subject to prosecution action in areas as far north as Halls Creek and Karratha and as far south as Busselton and Kojonup. Two of these matters were subsequently withdrawn but the remaining 12 were successfully prosecuted.

I am aware that, as a result of a series of complaints about alleged breaches of the Real Estate, Settlement Agents and Finance Brokers Legislation emanating from country areas of the State, a senior officer of the Ministry of Consumer Affairs raised the need to determine the most cost effective method of servicing these complaints. While this determination was occurring in line with normal Ministry of Consumer Affairs practice, each of the clients affected by this was advised of the delay in resolving the complaint pending the above review. Unfortunately the letters sent to these two complainants advised that action on the clients' complaints had been suspended. Clients have since been advised that the matter is under review and that these matters will be investigated shortly when officers visit regional centres. One such visit is to occur on 11 October when an officer is scheduled to visit Geraldton.

It is a matter of record that, when the Government came to power in 1983, full time consumer affairs industrial affairs positions were created in Bunbury, Geraldton, Albany and Karratha. The consumer affairs function was subsequently upgraded in Bunbury and Karratha and a further dual consumer affairs/industrial affairs position was created in Kalgoorlie. In the year ending 30 June 1989 consumer contact with regional officers in Albany, Bunbury, Geraldton, Kalgoorlie and Karratha amounted to approximately 11 000 contacts. In addition, head office technical and investigation staff made numerous excursions to the regions to provide technical and investigative support to regional staff. Also, a 008 telephone facility exists for country callers in relation to Price Check, REVS and consumer services.

POLICE - BUNBURY POLICE STATION

Upgrading - Budget Allocation

846. Mr BRADSHAW to the Minister for Police and Emergency Services:

Is there any money allocated in the 1989-90 Budget to upgrade the Bunbury Police Station?

Mr TAYLOR replied:

Yes.

NATIONAL PARKS - YANCHEP

Management Plan - Implementation

857. Mr MacKINNON to the Minister for Conservation and Land Management:

- (1) Has the Government concluded a management plan for the Yanchep National Park?
- (2) If so, who completed the plan?
- (3) Will the plan be made public?
- (4) If not, why not?
- (5) When will the plan be implemented?

Mr TAYLOR replied:

- (1) Yes.
- (2) The National Parks and Nature Conservation Authority submitted the plan to the Minister for Conservation and Land Management as required by the Conservation and Land Management Act 1984.
- (3)-(5) Yes, as required by the Act. The plan was approved by me on 2 July 1989 and its printing has just been completed. Invitations to the official release of the plan are being prepared, and I will ensure the Leader of the Opposition is invited.

POLICE - YANCHEP POLICE STATION

Site Identification - Construction Plans

859. Mr MacKINNON to the Minister for Police and Emergency Services:

- (1) Has the Government identified a site for the Yanchep Police Station?
- (2) If so, has that site been obtained by the Government?
- (3) When does the Government plan to construct this long overdue police station?

Mr TAYLOR replied:

- (1) Yes.
- (2) Yes. A site of 1.5 ha has been obtained at the corner of Yanchep Beach Road and Welwyn Avenue, Yanchep for the construction of a police station and licensing centre.
- (3) Wanneroo Police staff a temporary police station at premises situated in the Sun City-Two Rocks shopping centre each Thursday between 1000 and 1400 hours. Patrols of the Yanchep-Two Rocks area are carried out by staff from the Wanneroo Police Station and Warwick Traffic Office, with support as required from specialised branches such as CIB and liquor and gaming. Response to tasking in the area is mainly by Wanneroo police and CIB with support, as required, provided from Warwick Police Station. With these provisions in place a date for the construction of the new station has not yet been determined.

PEEL INLET MANAGEMENT AUTHORITY - MEMBERS

865. Mr MacKINNON to the Minister for Waterways:

- (1) Who are the members of the Peel Inlet Management Authority?

- (2) What are their terms of appointment?
 (3) How many of these members directly represent local authorities?

Mr TAYLOR replied:

		Appointed to
(1)	Mr O.H. Tuckey (Chairman)	30.6.90
	Mr W. Johnson (Deputy Chairman, Community)	30.6.90
	Mr G. Tewes (Community)	30.6.90
	Ms G. Hitchcock (Community)	30.6.90
	Mr G.T. Halpin (Community)	30.6.90
	Mr B.W. Tetham (Community)	30.6.90
	Mr B.N. Devereux (Community)	30.6.90
	Dr M.J. Paul (Department of Marine and Harbours)	30.6.91
	Mr J.R. Bartle (Department of Conservation and Land Management)	30.6.90
	Mr B.P. Creswell (Town of Mandurah)	30.6.90
	Mr W.J. Carter (Shire of Murray)	30.6.91
	Vacant (Shire of Waroona)	-
(2)	All members are appointed until 30 June 1990 except Dr Paul and Mr Carter, whose terms continue to 30 June 1991.	
(3)	Specifically, three, one from each of the local authorities in the region; that is, Mandurah, Murray and Waroona.	

FIRE BRIGADE - FUNDING REVIEW

Working Party - Final Report Approval

867. Mr MacKINNON to the Minister for Police and Emergency Services:

- (1) Has the working party established to review the Fire Brigade funding yet approved the final report by that committee?
 (2) Have the members of the committee copies of the report?
 (3) If the answers are no to either (1) or (2), why is this so?

Mr TAYLOR replied:

(1)-(2)

No.

- (3) The report has been prepared for the Minister.

STATE FINANCE - ESTIMATES OF EXPENDITURE

Conservation and Land Management - Commercial Operations Expenditure Increase

875. Mr MacKINNON to the Minister for Conservation and Land Management:

Would the Minister detail for me the reason why on page 144 of the Estimates of Expenditure for the year ending 30 June 1990, under Division 86, Conservation and Land Management, the contingencies listed under the heading "Commercial Operations" has increased from 1988-89 expenditure of \$16 839 754 to the estimated expense in 1989-90 of \$34 547 000?

Mr TAYLOR replied:

The Treasurer indicated in his Budget speech that an "additional \$20.6 million had been provided within the Department of Conservation and Land Management's budget for integrated logging operations". As set out in a document titled "Timber Production in Western Australia - a Strategy to take WA's southwest forests into the 21st century" - the timber strategy, integrated logging operations would be progressively introduced and brought under CALM's direct control. Tenders for this work are currently open and being called such that by 1 November 1989 in the northern jarrah forest and 1 January 1990 in the southern forest. All logging operations will be conducted

by contractors working for CALM. The funds to pay these contractors are those listed.

This money will be recouped as a matter of course in the sale of the logs so produced.

STATE FINANCE - ESTIMATES OF EXPENDITURE

Hardwood Conversion Sales - Income Increase

887. Mr MacKINNON to the Treasurer:

Would the Treasurer indicate to me why income from hardwood conversion sales is expected to increase from \$14 366 530 in 1988-89 to an expected \$32 247 000 in 1989-90?

Mr PARKER replied:

The increase in income from hardwood conversion sales is due to -

- (1) indexation provisions of approximately 7.5 per cent;
- (2) the payment of contractors' operations has risen from 31 per cent to just over 70 per cent of all timber sales, with this money being recouped from log buyers; and
- (3) an increase in the sale of logs from regrowth forest.

STATE FINANCE - ESTIMATES OF EXPENDITURE

Pine Conversion Sales - Income Increase

888. Mr MacKINNON to the Minister for Conservation and Land Management:

Would the Treasurer detail for me why income from pine conversions sales is expected to increase from \$9 656 138 in 1988-89 to an expected \$14 717 000 in 1989-90?

Mr TAYLOR replied:

The increase in income from pine conversion sales is due to -

- (1) indexation provisions of approximately 7.5 per cent;
- (2) planned start up of a new timber plant at Kewdale;
- (3) increase in available sawlog component;
- (4) increases sales of lower grade sawlogs and sales of pine poles to the State Energy Commission of Western Australia; and
- (5) the Department of Conservation and Land Management has taken over payment of contractors' operations and this money is being recouped from the buyers.

POLICE - FREMANTLE POLICE SQUAD

Composition - Success

899. Mr HASSELL to the Minister for Police and Emergency Services:

- (1) What is the composition of the Fremantle police squad formed to target trouble areas, such as the Medina shopping centre, as reported in *The West Australian* on 7 June?
- (2) What success has the squad had?
- (3) Is it the belief of Fremantle police that the crime wave referred to is the result of activities by -
 - (a) juveniles;
 - (b) Aboriginal juveniles;
 - (c) Aboriginal people
 in the main or as a significant part of the problem?
- (4) Of the vastly increased damage offences reported this year compared with 1988, how many charges have been laid?

- (5) How many of those charges were charges laid against juveniles?
- (6) Of the charges laid against juveniles, how many persons were convicted?
- (7) Of those convicted, how many had previous records for similar or more serious offences?
- (8) What penalties were imposed by the juvenile courts in relation to those convictions involving offenders with similar or more serious previous convictions?

Mr TAYLOR replied:

- (1) The squad formed to target trouble areas in the Fremantle region comprise two sergeants and 11 constables.
- (2) The squad has been successful in allowing for a concentration of police at known "trouble spots" throughout the Fremantle region.
- (3) The figures are given in subsequent answers.
- (4) A total of 103 charges have been preferred for damage in the Kwinana area this year.
- (5) Charges preferred against juveniles numbered 88.
- (6) Eleven juveniles were convicted on a total of 17 charges. Another six juveniles were charged with a total of 71 offences and are remanded to appear in court on 22 September 1989.
- (7) Of the juveniles convicted, 10 had previously incurred convictions for similar or more serious offences.
- (8) The court dealt with these 10 in the following manner -

Three offenders, having had previous charges preferred dismissed, were dealt with more seriously, receiving penalties of probation, conditional release or community service orders imposed.

Three were dealt with less severely, having charges dismissed under the provision of the Child Welfare Act.

Four were dealt with similarly, having penalties of further community service hours imposed or being further committed to the care of the Department for Community Services.

POLICE - SHOPPING ARCADE, PERTH

Pedestrians - Closure Recommendation

900. Mr HASSELL to the Minister for Police and Emergency Services:

- (1) Have the police recommended that one of Perth's oldest shopping arcades be closed to pedestrians at night to stop a wave of vandalism and break-ins, as reported in *The West Australian* on 7 June?
- (2) What was the basis of that recommendation, and to whom was it made?
- (3) What action has been taken as a result of the recommendation?
- (4) What are the particular offences identified by the police leading to the recommendation, and were police dissatisfied with verdicts given in those cases?

Mr TAYLOR replied:

The article in *The West Australian* of 7 June refers to Plaza Arcade.

(1)-(2)

Following an approach by the managing agent of Plaza Arcade, Mr David Saw, an officer from the Office of Crime Prevention carried out an appraisal on the area. As part of the appraisal it was recommended to Mr Saw that the arcade be closed after normal business had ceased.

(3) This was only a suggestion and it remains the prerogative of the

owners of any premises to implement any recommendations following an appraisal. No further police action has been taken in regard to the matter.

- (4) The majority of offences committed in the arcade are damage and disorderly behaviour and I am not aware of any police dissatisfaction with the verdicts.

POLICE - JOONDALUP POLICE STATION

Establishment - Pre-election Commitments

908. Mr HASSELL to the Minister for Police and Emergency Services:

Has the Government taken the necessary steps to fulfil its pre-election commitments on the \$6 million Joondalup Police Station in 1990?

Mr TAYLOR replied:

funds have been provided from the 1989-90 capital works budget to allow the project to proceed.

HEALTH - GRAYLANDS HOSPITAL

*Zelestis, QC, Mr C. - Problems Report, Recommendations
Implementation*

923. Mr HASSELL to the Minister for Health:

- (1) Pursuant to the recommendations of Mr C. Zelestis, QC or otherwise, what steps has the Minister taken and what steps have been or will be taken at Graylands Hospital to address the problems identified in the report of Mr C Zelestis, QC dated 14 July 1989 -
 - (a) in paragraph 9.1.1, so as to ensure that care of psychiatric patients at Graylands Hospital is no longer at any time a dangerous occupation;
 - (b) in paragraph 9.2.1, so as to ensure that there no longer exists an attitudinal climate at Graylands Hospital in which violence by some members of staff towards patients is tolerated by other members of staff;
 - (c) in paragraph 9.3.2, so as to ensure that psychiatric nurses at Graylands Hospital no longer perceive their role as a custodial one and no longer have low morale;
 - (d) in paragraph 9.3.4, so as to ensure that the use of physical force by nurses upon patients is no longer an entrenched feature of the management of patients at Graylands Hospital;
 - (e) in paragraph 9.3.4, so as to ensure that student psychiatric nurses are no longer fearful of speaking out about practices they see at Graylands Hospital and that no longer among the psychiatric nurses at Graylands Hospital is there a code of silence;
 - (f) in paragraph 9.3.7, so as to ensure that -
 - (i) senior medical officers at Graylands Hospital show leadership and high clinical standards and become open to criticism and are not dismissive of those who question existing practices and ideas; and
 - (ii) nursing officers at Graylands Hospital show leadership and high clinical standards and become open to criticism and are not dismissive of those who question existing practices and ideas;
 - (g) in paragraph 9.4.3, so as to -
 - (i) identify those nurses who do not have an exemplary record and who are not known to have the skills and attitudes necessary to raise standards at Graylands Hospital; and

- (ii) ensure that nurses who do not have an exemplary record or who are not known to have the skills and attitudes necessary to raise standards are not placed in supervisory roles at Graylands Hospital;
- (h) in paragraph 9.5.1, so as to ensure that nurses at Graylands Hospital deal effectively with potential and actual aggression by patients in a therapeutic rather than custodial manner;
- (i) in paragraph 9.5.3, so as to ensure that psychiatric nurses at Graylands are no longer wary or fearful of being assaulted or harmed by disturbed patients;
- (j) in paragraphs 9.6.2, 9.6.3 and 9.6.7, so as to ensure that unsuitable nurses who are widely known to be rough no longer continue to be employed at Graylands Hospital;
- (k) in paragraph 9.6.3, so as to ensure that nurses at Graylands Hospital who complain about their colleagues are not abused, ostracised or subjected to reprisals by their fellow nurses;
- (l) in paragraph 9.6.7, so as to ensure that nurses at Graylands Hospital no longer have a closed ranks approach;
- (m) in paragraph 9.7, so as to ensure that seclusion of patients at Graylands Hospital is not misused by nurses;
- (n) in paragraph 9.10.1, so as to ensure that at Graylands Hospital there is no longer an environment in which a degree of mistreatment is regarded as acceptable by members of staff;
- (o) in paragraph 9.13.1, so as to ensure that Wembley wards at Graylands Hospital are no longer the most inadequate for treatment of the most acutely ill patients;
- (p) in paragraph 9.13.4, so as to ensure that -
 - (i) nurses no longer feel stressed or vulnerable on the Wembley wards; and
 - (ii) there is adequate medical presence on the Wembley wards; and
- (q) in paragraph 11.3.1, so as to remove the justifiable concerns which Mr Zelestis found exist as to the operation of Graylands Hospital?
- (2) At any time and, if so, at what time or times in the last six months has the position of Acting Superintendent of Graylands Hospital been filled by a psychiatrist who has been qualified as a psychiatrist for less than two years?
- (3) If the answer to (2) is yes -
 - (a) why was the position not filled by a more senior psychiatrist; and
 - (b) what steps has the Minister taken or will the Minister take to ensure that such a senior position is filled only by a senior and suitable psychiatrist?
- (4) At any time and, if so, what time or times in the last six months has any of the following positions at Graylands Hospital been filled by any person who does not have an exemplary record or who is not known to have the skills and attitudes necessary to raise standards at the Hospital -
 - (a) Acting Assistant Director of Nursing;
 - (b) Assistant Director of Nursing;
 - (c) Acting Director of Nursing; and
 - (d) Director of Nursing?
- (5) If the answer to any of questions (4)(a) to (d) is yes, in respect of each relevant person -

- (a) what feature in the record of the person concerned or what incident recorded in that record made the record not exemplary;
 - (b) why was the relevant position not filled by a person with an exemplary record; and
 - (c) what steps has the Minister taken or will the Minister take -
 - (i) to remove from the positions described any person who does not have an exemplary record or who does not have the attitudes and skills necessary to raise standards; and
 - (ii) to ensure that the positions described are only filled by suitable persons with an exemplary record and who have the skills and attitudes necessary to raise standards?
- (6) Will the Minister take any steps and, if so, what steps to hold an eminent independent and public inquiry the object of which is for the Health Department and Graylands Hospital to prove that the hospital has overcome all of the problems identified in the Zelestis report and is operating as a competent mental hospital, meeting the normal ongoing requirements of mental patients who are not or have not been offenders - that is, civil patients?
- (7) What protocol or directive was in operation at Graylands Hospital on 4 September 1989 regarding recapture or return to the hospital by hospital staff of patients who leave or escape from the hospital prior to formal discharge?
- (8) What directive or protocol of the kind referred to under the preceding paragraph is currently in operation at Graylands Hospital and does the Minister propose to make any change and, if so, what change to the directive or protocol?
- (9) What directive or protocol was in operation at Graylands Hospital on 4 September 1989 regarding control and supervision by hospital staff outside the hospital grounds of patients who leave or escape from the hospital prior to formal discharge?
- (10) What directive or protocol of the kind referred to in the preceding paragraph is currently in operation at the hospital and does the Minister propose any change and, if so, what change to the directive or protocol?
- (11) Does Graylands Hospital keep any record and, if so, what formal record of when and in what circumstances patients -
- (a) leave or escape from their wards; and
 - (b) leave or escape from the hospital grounds
- prior to formal discharge?
- (12) For each month in the past six months, what number of civil patients and what number of mentally disordered offenders respectively -
- (a) escaped from, or without supervision left their wards; and
 - (b) escaped from, or without supervision left the hospital grounds
- prior to formal discharge?
- (13) In the case of patients who are or were mentally disordered offenders and who have in the last six months escaped from, or without supervision have left wards or hospital grounds prior to formal discharge -
- (a) what is the number of such patients who have escaped from, or left wards or hospital grounds;
 - (b) what is the offence with which each such patient was charged or convicted; and
 - (c) by what means and from where was each such patient returned to the hospital?

- (14) What steps has the Minister taken or will the Minister take to identify and dismiss or discipline the persons responsible for -
- (a) permitting the recent escape from Graylands Hospital of Charles Basil Jeffree;
 - (b) permitting Geoffrey Howe to be placed in an open ward at the hospital;
 - (c) permitting Geoffrey Howe to attend a public meeting held at the hospital on 4 September 1989; and
 - (d) permitting the patients referred to in answer to (13) to escape from, or without supervision leave hospital wards or the hospital grounds?
- (15) Has the Minister since 4 September 1989 taken any steps and, if so, what steps to increase security in respect of mentally disordered offenders housed at Graylands?
- (16) In each of the last six months, what number of alleged offenders were remanded by the courts to Graylands Hospital for psychiatric assessment and, of those alleged offenders, what number were found not to be mentally ill?
- (17) What was the average duration of confinement at Graylands Hospital of the alleged offenders referred to in the answer to (16) who were found not to be mentally ill and were those alleged offenders housed in wards that contained civil patients?
- (18) Is it the current practice at Graylands Hospital to house mentally disordered offenders and civil patients together in -
- (a) any and what secure wards; and
 - (b) any and what open wards?
- (19) Does the Minister consider that it is appropriate to house in the same ward -
- (a) civil patients and mentally disordered offenders;
 - (b) alleged offenders who are found not to be mentally ill and mentally ill offenders; and
 - (c) alleged offenders who are found not to be mentally ill and civil patients?
- (20) What steps has the Minister taken or will the Minister take to ensure that civil patients do not share wards with -
- (a) mentally disordered offenders; and
 - (b) alleged offenders who are found not to be mentally ill?
- (21) What steps has the Minister taken or will the Minister take to ensure that the courts -
- (a) stop remanding alleged offenders to Graylands for psychiatric assessment; and
 - (b) remand alleged offenders to Canning Vale Remand Centre only or to a prison for psychiatric assessment?
- (22) Is there a practice at Graylands Hospital that requires that newly admitted patients or alleged offenders be observed without treatment for any period and, if so, what period; and, if so, what is the reason for this practice and what steps if any does the Minister propose to take to bring this practice to an end and ensure that immediate psychiatric assessment and treatment take place?
- (23) Does the Minister consider that the issue of security and safety of the public is a secondary consideration to the issue of how best to treat the mental disorder of mentally ill offenders?
- (24) If the answer to (23) is no, why did the Minister recommend to Cabinet that a forensic unit be established at Graylands Hospital before the issue of security

had been thoroughly researched and discussed with the public and a decision made on the form and level of security proposed for the unit?

- (25) Does the Minister intend that the proposed forensic unit will be as secure as a prison and, if not, what considerations require a lesser level of security?
- (26)
 - (a) What report has the Minister received concerning the public meeting, which was held at Graylands Hospital on 4 September 1989, of residents of Mt Claremont and St John's Wood and parents of students at John XXIII College on Government proposals to establish a forensic unit at Graylands Hospital - the "meeting"; and
 - (b) from whom, at what time, and on what day was the report given to the Minister and was the report oral or written.
- (27) Has the Minister been advised in full on the mood of the meeting and the resolution adopted by the meeting?
- (28) What Government response has been given to each of the resolutions adopted by the meeting other than the proposal announced at the commencement of the meeting for representatives of the local community to be involved in a community consultative committee concerning implementation of the Government plan for the forensic unit?
- (29)
 - (a) Has the Minister said or announced that implementation of the proposal for a high security unit for the criminally insane will be speeded up; and
 - (b) if not, what announcement has been made in that regard?
- (30) What is the proposed timetable for the approval, construction and opening of the proposed forensic unit?
- (31) What responses has the Minister received from what community group, school, authority or person in response to the proposal to establish a community consultative committee?
- (32) What measures does the Minister intend to take to enable students at John XXIII College or residents of Graylands and Mt Claremont and other suburbs surrounding Graylands Hospital to distinguish a mentally disordered offender patient who escapes from Graylands Hospital from a civil patient who has left the hospital without supervision and may be in need of community assistance?
- (33) Does the Minister admit that -
 - (a) the proposed forensic unit is being introduced against the wishes of the local community around Graylands Hospital; and
 - (b) prior to Cabinet's decision to construct a forensic unit at Graylands Hospital the Minister deliberately chose to not allow the issue of where to house mentally disordered offenders to be debated and discussed publicly with prior release of all relevant reports in the Government's possession?
- (34) Within the past five years has the Minister or the Health Department sought or obtained any and what report or reports into any aspect of management of Graylands Hospital and, if so, in respect of each such report -
 - (a) who prepared the report;
 - (b) what were the findings and conclusions of, or the problems at Graylands Hospital that were identified, in the report;
 - (c) what recommendations were made in the report;
 - (d) what steps were taken by the Minister or the Health Department to implement the recommendations contained in the report;
 - (e) what steps have been taken by the Minister or the Health Department to ensure that any problems identified in the report were corrected; and

- (f) do the problems identified in the report currently exist at Graylands Hospital?

Mr WILSON replied:

(1)-(34)

The member's questions seek information and opinion. As the answers require detailed attention and the commitment of considerable departmental resources, I will table the answers in due course as allocation of resources allows.

TRANSPORT - AIRPORTS, INTERNATIONAL

North West Site Inquiry - Special Committee Establishment

966. Mr LEWIS to the Minister for Transport:

- (1) Has the Minister or any Government department set up a special committee to investigate the most suitable site for international airports in the north west?
- (2) Has this committee finished its investigations?
- (3) If no to (2), have any interim reports been made by that investigative committee to this time?
- (4) Was Broome considered and included within the terms of reference of this investigation for consideration for the establishment of an international airport within its general regional area?

Mr PEARCE replied:

- (1) On 28 November last year I established a transport strategy committee to investigate, report and make recommendations on the need and location options for international gateway airports in the north of the State.
- (2) the committee's report is being finalised at present.
- (3) No.
- (4) All likely options in the north of the State were included and considered.

EDUCATION - COMO SENIOR HIGH SCHOOL

Police Constable - Staff Application

969. Mr GRAYDEN to the Minister for Police and Emergency Services:

- (1) Has the Como Senior High School made application for the location of a police constable on the staff of the school in an effort to ameliorate the high incidence of crime and the poor relationship with authority on the part of a significant proportion of students at the school?
- (2) If so, will the Minister give serious consideration to the request?

Mr TAYLOR replied:

- (1) Como Senior High School applied for a school-based police officer on 31 August 1989.
- (2) Allocation of when and where school-based officers are located is made by the Commissioner of Police in consultation with the Ministry of Education. Expansion of the school-based program, this which is a very popular and successful Government/police initiative, is currently before the police manpower review board.

TRADE UNIONS - TEACHER'S UNION

Terms - Government's Latest Offer

973. Mr HASSELL to the Minister for Education:

- (1) What are the full terms of the latest offer made by the Government to the State School Teachers Union over pay and conditions?
- (2) Does the proposal involve productivity increases?
- (3) Does the offer comply with the national wage fixing principles and guidelines?

- (4) If not, how does it fail to comply?
- (5) Did the Minister have a great struggle in Cabinet to obtain agreement to the latest offer as reported in the media?
- (6) Is the offer in accordance with Government policy?

Dr LAWRENCE replied:

- (1) Attached are (a) restructuring proposals of the ministry contained in the paper "Summary of Major Issues"; and (b) "Ministry's Proposal Salary Structure for Teachers".
[See paper No 451.]
- (2) Yes.
- (3) The ministry has been advised by the Office of Industrial relations that the offer does comply with the Stage wage fixing principles and guidelines.
- (4) Not applicable.
- (5) Because of the extent of the salary increases proposed and the overall costs of the package, I discussed the matter with my Cabinet colleagues. They were convinced and supported my view that the offer was justified because of past and continuing restructuring in schools.
- (6) Yes.

PETROCHEMICAL PROJECT - DOCUMENTS TABLING
State Energy Commission - Supply Contract, Zero Gas Price

975. Mr HASSELL to the Deputy Premier:

- (1) Did the Deputy Premier table in the House on 7 September a copy of the State Energy Commission of Western Australia supply contract in connection with the petrochemical project to show that the agreement entered into did not contain a zero gas price under any circumstances?
- (2) Does the document establish that fact?
- (3) Was there any arrangement, agreement or understanding outside that supply contract involving any parties which may or might in some circumstances have provided that, in effect, the gas supply price would be zero?
- (4) Will the Deputy Premier now table draft No 10 attached to a letter by John McKee dated 17 October 1988, such letter having been given at the Deputy Premier's direction?
- (5) Was that letter written in connection with the SECWA supply contract?
- (6) Does the Deputy Premier say that the letter does not indicate the intention of the parties at the time the Government paid out \$175 million of taxpayers' money for its share of Petrochemical Industries Co Ltd?
- (7) If the Deputy Premier says not, what does the Deputy Premier say in relation to that letter and the attachment referred to?

Mr PARKER replied:

- (1) Yes.
- (2) That document, and the SECWA staff tariff schedule which was also tabled on 7 September, establish that a commercial, fully indexed gas pricing arrangement was entered into.
- (3) No arrangement, agreement or understanding providing for a zero gas price in any circumstances, is extant.
- (4) That document has already been tabled as part of the deed of undertaking.
- (5) Yes.
- (6) No.
- (7) It shows that the Government worked genuinely to achieve a viable and bankable project.

KEMERTON INDUSTRIAL PARK - BUDGET ALLOCATION

985. Mr BRADSHAW to the Minister for Conservation and Land Management:

- (1) Has any money been allocated in the 1989-90 Budget for the Kemerton industrial park plan?
- (2) If so, how much?
- (3) What is that money to be used for?

Mr TAYLOR replied:

(1)-(3)

Yes.

\$4 500 for fire management.

\$53 322 jointly allocated to Kemerton and the Leschenault Peninsula. The majority of the money is committed to finishing works on the Leschenault Peninsula. A detailed program of expenditure for Kemerton cannot be prepared until the advice is received from Kemerton Park Advisory Board.

TREES - PLANTINGS

Kemerton

986. Mr BRADSHAW to the Minister for Conservation and Land Management:

- (1) How many hectares have been planted with trees at Kemerton so far?
- (2) Are there plans for further plantings?
- (3) What future work is proposed at Kemerton?
- (4) Have any funds been set aside in this year's Budget?

Mr TAYLOR replied:

- (1) 445.4 hectares being 122.5 hectares of *Pinus pinaster* and 322.9 hectares of *Pinus taeda*.
- (2) Yes. The remaining cleared area will be planted when the outcome of the feasibility studies for an aluminium smelter is known. Approximately 238 hectares remain to be planted, some of which would be occupied by a smelter if it proceeds.
- (3) Future work will depend on the recommendations of the Kemerton Park Advisory Board, when formed. The Kemerton Park plan suggests six zones of the park be the Department of Conservation and Land Management's responsibility. Likely words would include the management of landscape amenity, fire, grazing, public recreation, public environmental education and wildlife habitat. CALM has been managing the essential aspects of the since acquiring the land.
- (4) See answer to question 985.

WETLANDS - CONSERVATION GAZETTAL

Western Australian Areas - Private Land

987. Mr BRADSHAW to the Minister for Conservation and Land Management:

- (1) Have or are areas of Western Australian been or to be gazetted for conservation as wetlands?
- (2) Which areas are they?
- (3) Is private land included?
- (4) If yes to (3), is compensation being considered for owners of this land?
- (5) Have owners of such land been consulted?
- (6) What restrictions will be placed on such wetlands?

Mr TAYLOR replied:

I refer the member to my reply to question No 602.

TREES - PLANTINGS

Peel-Harvey Drainage Area - Superphosphate Usage

988. Mr BRADSHAW to the Minister for Conservation and Land Management:

- (1) How many hectares of Tasmanian bluegums or any other trees have been planted in the Peel Harvey drainage area this year?
- (2) Is superphosphate or any other nutrient used on these trees?
- (3) If yes to (2), how much a hectare?
- (4) For how many years is fertiliser to be used?
- (5) Is any sampling carried out to establish the leaching of this fertiliser?
- (6) If so, what percentage leaches into the waterways?

Mr TAYLOR replied:

- (1) 680 hectares.
- (2) Yes, where required.
- (3)-(4) Some areas require no fertiliser, some receive 50 kilograms per hectare of Agras - a nitrogen-phosphorus fertiliser - at planting and some receive 100 kilograms per hectare at planting. The trees are fertilised in years two, four, six, 12, 14 and 16 where required. The maximum rate for fertiliser after planting is 200 kilograms per hectare.
- (5) Experiments have been established to determine how much nutrient leaches from partly forested areas in relation to typical pastured areas.
- (6) It is expected to be considerably less than that which leaches from pastured land, and to easily meet desirable limits on nutrient discharge.

WRITS - DEPUTY PREMIER

Leader of the Opposition - Cost Responsibility

996. Mr MENSAROS to the Deputy Premier:

- (1) Will the legal and incidental costs in connection with the writ the Minister has recently issued against the Leader of the Opposition and all the subsequent costs connected with the ensuing litigation be paid by the Minister or by the Government from taxpayers' money?
- (2) If they are paid by the Government, does this extend to possible Crown Law Department representation?
- (3) If the costs are paid by the Minister, can the Minister assure the House that they will not ever be refunded to the Minister by the Government?

Mr PARKER replied:

- (1)-(3) No decision has been taken on this matter, nor has any application for support been made to me.

POLICE - COTTESLOE DIVISION

*Inadequate Police Coverage - Wembley Neighbourhood Watch
Coordinator's Concern*

999. Mr MENSAROS to the Minister for Police and Emergency Services:

- (1) Has the Minister received a letter dated 28 August 1989, from the Wembley area co-ordinator of neighbourhood watch expressing concern about "police coverage from 11.00 pm to 6.00 am in that part of Perth patrolled jointly by Claremont/Cottesloe/Wembley/Subiaco/Mt Hawthorn/Leederville stations, under the umbrella of Cottesloe Division"?
- (2) Is it a fact that there are insufficient patrol vehicles staffed by permanent officers to even reasonably service calls concerning crime in action?

- (3) Would the Minister advise what permanent officers and patrol vehicles are allocated to these stations and define the boundaries of their activities?
- (4) What proposals are planned in the near future to increase or improve the capacity of these patrols during the aforementioned hours?
- (5) Does the Minister's department have any plans for the streamlining of the arrest and reporting procedures which takes so much of the patrol officers' time?

Mr TAYLOR replied:

- (1) Yes.
- (2) No. Sufficient vehicles are available to meet the requirements of permanent staff.
- (3) Permanent officers and patrol vehicles are allocated as follows -

Mt Hawthorn - three sergeants, 11 constables and one cadet, with two vans, patrol the suburbs of Tuart Hill, Joondanna, Glendalough, Mt Hawthorn and Yokine.

Leederville - one sergeant, eight constables and one cadet, with one van, patrol the suburbs of West Perth, Leederville and the industrial areas of Osborne Park.

Claremont - one sergeant, eight constables and one cadet, with two vans, patrol the suburbs of Claremont, Dalkeith, Swanbourne, Karrakatta and Graylands.

Cottesloe - one sergeant, seven constables and one cadet, with two vans, patrol the suburbs of Cottesloe, Peppermint Grove and Mosman Park.

Nedlands - one sergeant, three constables and one cadet, with one van, patrol the suburbs of Crawley and Nedlands. Nedlands assist with staff support to the Claremont/Cottesloe combined patrols.

Subiaco - two sergeants, 10 constables and one cadet, with two vans, patrol the suburbs of Subiaco, Shenton Park, Daglish and Jolimont.

Wembley - two sergeants, eight constables and one cadet with two vans, patrol the suburbs of Wembley Downs, Churchlands, City Beach, Floreat and Wembley.

In addition to these resources there are traffic, criminal investigation, division 79 and liquor and gaming branch vehicles on constant patrol in the metropolitan area.

- (4) The divisional officer has the discretionary power to move staff within his division on a needs basis. A constant monitoring of all personnel requirements enables staff levels to be put in place as needs dictate.
- (5) There are no plans to alter the present arrest and reporting procedures. The Government is proposing the decriminalisation of drunkenness, enabling police officers to devote more time to other duties.

STATE ENERGY COMMISSION - POLYCHLORINATED BIPHENYLS CAPACITATORS

Open Rubbish Tip Dumping - Kalgoorlie-Boulder Outskirts

1027. Mr AINSWORTH to the Minister for Health:

- (1) Is the Minister aware that the State Energy Commission of Western Australia dumped over 100 capacitors containing polychlorinated biphenyls on an open rubbish tip on the outskirts of Kalgoorlie/Boulder?
- (2) Is the Minister aware of any other similar incidents?
- (3) What steps have been taken to ensure that such actions do not occur again?

Mr WILSON replied:

- (1) I am aware that a number of street lights were deposited on the Kalgoorlie rubbish dump and that some of these were mercury vapour lights fitted with control box capacitors containing small quantities of PCB.
- (2) I am not aware of other incidents similar to that which occurred at Kalgoorlie.
- (3) Since the Kalgoorlie experience, capacitors fitted to all mercury vapour street lights are being removed before the poles and fittings are moved. The capacitors are being handled and stored according to guidelines prepared by the Department of Occupational Health, Safety and Welfare, the Health Department and SECWA. A copy of the guidelines is attached for the member's information.

[See paper No 450.]

As a matter of policy, mercury vapour street lights with control box capacitors containing PCB have not been fitted to poles since the early 1970s.

HEALTH - MT HENRY HOSPITAL
Secure Nursing Home Ward - Staffing Level

1029. Mr GRAYDEN to the Minister for Health:

As the secure nursing home ward at the Home of Peace, Subiaco has a staffing level of 1 nurse to 2.5 residents over a 24 hour period and the Home of Peace, Inglewood has a staffing level of 1 nurse to 2.96 residents over a 24 hour period, why has the secure nursing home ward B1 at Mt Henry Hospital a staffing level of 1 nurse to 4.66 residents over a 24 hour period?

Mr WILSON replied:

Nursing staffing levels in ward B1 supply 3.92 nursing staff hours per resident every 24 hours. This equates to one nursing staff member to every 2.04 residents per 24 hour period. These ratios will vary somewhat from day to day due to -

- changes in the nursing care needs of residents;
- staff availability (sick leave); and
- experience of staff.

PEEL-HARVEY ESTUARY - HOUSEBOATS
Activities Control - Regulations

1032. Mr NICHOLLS to the Minister for Waterways:

- (1) Are there any policies/regulations currently in place which control the activities of houseboats within the Peel-Harvey Estuary?
- (2) What is the Government's attitude regarding the permanent or semi-permanent use of houseboats, within the Peel Harvey Inlet, as accommodation?
- (3) Is there any current information regarding the management of this type of craft within a similar waterway environment?
- (4) How many houseboats are currently using the Peel Harvey Inlet, or registered to people residing within a 100 kilometre radius of Mandurah?

Mr TAYLOR replied:

- (1) Yes, as in other parts of the State boating activities are controlled by marine and navigable waters legislation. Control of pollution and damage to the environment is covered under the Waterways Conservation Act and Environmental Protection Act.
- (2) Tourist or recreational use of houseboats is seen as a reasonable use, provided it is well managed by the operators. Permanent or semi-permanent living is not seen as appropriate.

- (3) Yes, to a limited extent.
- (4) There are currently 20 private and five commercial boats registered as houseboats in the Peel-Harvey Inlet.

EDUCATION - TERTIARY ENTRANCE EXAMINATIONS
School Teacher Training Institutions - Entrance Acceptances

1036. Mr AINSWORTH to the Minister for Education:

Can the Minister advise the average Tertiary Entrance Examination aggregate of the students accepted for entry into school teacher training institutions during -

- (a) 1985;
- (b) 1986;
- (c) 1987;
- (d) 1988; and
- (e) 1989?

Dr LAWRENCE replied:

Superficially, this appears to be a simple request. However, the data for earlier years needs to be obtained from each tertiary institution and analysed. This information is being compiled and will be analysed by the Western Australian Post Secondary Education Commission.

AIRCRAFT - CONSERVATION AND LAND MANAGEMENT DEPARTMENT
Operations Statistics

1049. Mr THOMPSON to the Minister for Conservation and Land Management:

- (1) (a) What types of aircraft and how many of each does the Department of Conservation and Land Management operate; and
- (b) how many passengers can each type carry?
- (2) (a) During the southern fire season last summer, 1988-89, about how many flying hours each did the aircraft average; and
- (b) during the preceding six months, what was the average flying time each aircraft logged?
- (3) During the past three years, about how many hours in total have CALM's aircraft been used north of Camarvon-Meekatharra for fire spotting and related operations?
- (4) (a) How many fire watch towers in the three forest regions are manned during the summer fire season; and
- (b) which towers in the southern forest region are manned?

Mr TAYLOR replied:

- | | | |
|-----|---|---|
| (1) | <u>Aerial Fire Protection</u> | <u>Aerial Ignition</u> |
| (a) | Piper PA18 Super Cub | Britten Norman
Islander, two -
one full season,
part season. |
| (b) | One | Four when in
operational
configuration. |
| (2) | <u>Aerial Fire Detection</u> | <u>Aerial Ignition</u> |
| (a) | 745 hours | 260 hours |
| (b) | 20 hours | 40 hours |
| (3) | Sixty hours in the Gibson Desert in the past two years for aerial ignition purposes only. | |

- (4) (a) Four - Milward, Wabling, Pinjar and Gnangara; and
- (b) none on a permanent basis.

Another 14 towers are maintained for use in emergency situations.

**TREE NURSERIES - CONSERVATION AND LAND MANAGEMENT
DEPARTMENT**

Ownership - Town Locations

1053. Mr OMODEI to the Minister for Conservation and Land Management:

- (1) How many tree nurseries does the Department of Conservation and Land Management own or lease in Western Australia and in which towns are they located?
- (2) Will the Minister advise as to the number of tree seedlings produced by CALM controlled nurseries in this State -
 - (a) for this year; and
 - (b) for the last five years?
- (3) (a) Will the Minister advise as to the price per thousand for tree seedlings produced at CALM's Manjimup tree nursery; and
- (b) will the Minister advise as to the cost of production per thousand trees produced at CALM's Manjimup tree nursery?
- (4) (a) Is the Minister aware the Department of Conservation and Land Management is undercutting tree sales by privately owned nurseries in Western Australia; and
- (b) if yes, why is this so?

Mr TAYLOR replied:

- (1) The Department of Conservation and Land Management has five nurseries located in or close to the towns of Broome, Hamel, Manjimup, Narrogin and Wanneroo. The nursery at Hamel is leased to Greening Australia (WA) Inc.
- (2) (a) Not available;
- (b) 12 500 000; and
- (c) 46 568 300.
- (3) (a) \$185 00 a thousand for quantities between 10 000 and 100 000. The price for quantities over 100 000 is subject to negotiation with the purchaser; and
- (b) the cost of production varies widely with the different species, the type of stock produced and the numbers produced. Due to the commercial nature of nursery production and the complexity of varying costs, it is not possible to quote costs of production.
- (4) (a) I am not aware of the Department of Conservation and Land Management undercutting tree sales by privately owned nurseries. The prices at the Manjimup nursery are believed to be higher than those charged by private nurseries catering to the high volume market; and
- (b) Not applicable.

CATS, FERAL - WILDLIFE

Damage Studies

1060. Mr GRAYDEN to the Minister for Conservation and Land Management:

Have any studies been conducted in Western Australia to determine the damage to wildlife caused by feral cats and, if so -

- (a) what was the nature of the studies;
- (b) are reports on such research available for public perusal; and

(c) where can such reports be viewed?

Mr TAYLOR replied:

No specific studies on the impact of predation by feral cats have been undertaken in Western Australia. Incidental references scattered through the scientific literature indicate that feral cats can be very effective predators of some small animals, such as insects, lizards, mice and birds.

CATS, FERAL - STATISTICS ASSESSMENT

1061. Mr GRAYDEN to the Minister for Conservation and Land Management:

Has any attempt been made to assess the approximate number of feral cats in Western Australia and, if so, with what result?

Mr TAYLOR replied:

There has been no attempt to assess the number of feral cats which are throughout mainland areas of the State and on some islands. Feral cats may have reached Australia before European settlement and were certainly abundant in inland Western Australia last century. The wild populations do not depend on the further influx of domestic cats.

CATS, FERAL - DEPREDACTIONS

Native Fauna - Problem Areas

1062. Mr GRAYDEN to the Minister for Conservation and Land Management:

Have specific areas in Western Australia been identified as problem areas for native fauna as a consequence of the depredations of feral cats and, if so, what are the areas involved?

Mr TAYLOR replied:

No mainland areas of Western Australia are identified as problem areas for native fauna because of predation by cats alone. However, cats have been implicated in the loss of fauna for some islands in the Monto Bello group. Fox predation poses a more serious problem and the Department of Conservation and Land Management conducts specific fox control programs, for example to protect numbats and rock wallabies in the wheatbelt.

EDUCATION - TEACHERS

Salaries, Fortnightly - Strike Deductions

1075. Mr STRICKLAND to the Minister for Education:

- (1) Does the formula to calculate teacher fortnightly salaries of 12 divided by 313 multiplied by annual salary remain in force?
- (2) Are teachers paid on a 12-day per fortnight basis?
- (3) Under what power and by whose authority were teachers' salaries deducted one tenth following the recent one day strike?
- (4) Is there a conflict of policy occasioned by this decision?
- (5) Has a decision been made to deduct salaries for the period of stop work meetings?
- (6) Is the amount to be deducted for a two-hour absence to be calculated on the basis of a six and a half hour working day?
- (7) Under what power and by whose authority has the decision in (6) been made?
- (8) Will the deductions in (6) be calculated as four-thirteenth of one-tenth of a fortnight's pay, or four-thirteenth of one-twelfth of a fortnight's pay?

Dr LAWRENCE replied:

- (1) Yes. The Government school teachers' salaries award, clause 14(a), includes the methods used to calculate teachers' fortnightly salary from an annual amount expressed in the salary schedule. This calculation is -

Annual Salary x 12
313

The calculation is consistent with the formula expressed above.

- (2) No. Clause 14(b) of the Government school teachers' salaries award provides that, in determining a daily rate of pay, the fortnightly rate is divided by 10.
- (3) The power/authority to deduct teachers' salaries following the recent one day's strike comes from the industrial principle which states "no work no pay".
- (4) No. This is an industrially accepted principle and adopted across Government.
- (5) Yes. Based on the principle stated in (3) and (4) the ministry deducted teachers' salaries in proportion to the time taken for the stop work meeting.
- (6) Yes.
- (7) The decision to calculate the proportion to be deducted following the stop work meeting on a six and a half hour working day was made by the chief executive officer. This decision was made on the basis that the Education Act regulation 174 only prescribes the minimum instructional time of five hours 25 minutes per day for primary school teachers - inclusive of recess periods - and five hours 20 minutes instructional time for secondary teachers - exclusive of recess periods. The ministry acknowledges that teachers work longer hours than those prescribed and to use these rates as a divisor to calculate an hourly rate would be unfair.

The decision to use six and one half hours was chosen because it coincided with the hours worked by other school-based staff - for example, teachers' aides - and takes into account additional on site duties.

- (8) The deduction of pay for the two hour absence was calculated on the basis of four-thirteenths of one-tenth of a fortnight's pay.

GREENING AUSTRALIA (WA) INC - INDEPENDENCE

Integrity - No Political Interference Assurance

1090. Mr WATT to the Minister for Conservation and Land Management:

- (1) Has the Minister read the chairman's report in the 1989 annual report of Greening Australia (WA) Inc in which he says, "I do not like the concept of having funds controlled and issued in a manner that will make for political patronage"?
- (2) In view of the Government's stated commitment to accountability, what steps does the Government propose to ensure that there is no political interference with the independence and integrity of Greening Australia?

Mr TAYLOR replied:

- (1) I am aware of the chairman's statement which was made as the final point of comments on the Federal Government's policy to support the activities of Greening Australia.
- (2) Greening Australia is an independent body. There are representatives on its board of management who are State Government employees and they may make contributions which may reflect their departments; perspectives. The State Government also provides financial assistance to Greening Australia, which is subject to annual review.

MONKEY MIA RESERVE TRUST - ESTABLISHMENT

Funding Sources

1091. Mr MINSON to the Minister for Conservation and Land Management:

- (1) When was the Monkey Mia reserve trust established and what funds have been paid into that trust by -

- (a) the Department of Conservation and Land Management;
 - (b) any other Government agency; and
 - (c) other sources?
- (2) What use has been made of those funds?

Mr TAYLOR replied:

(1)-(2)

Cabinet approved the establishment of the Monkey Mia dolphin research and education trust in May 1989. The trust replaces the earlier dolphin welfare trust. The Government has provided an initial grant of \$20 000 and there are some carry-over funds from the previous trust. The new trust committee will have its first meeting in Denham on 28 September at which a fundraising strategy and a research and education program will be discussed. There has therefore been no expenditure to date.

TREES - DATE PALMS

*Millstream National Park - Conservation and Land Management
Department, Sale*

1092. Mr MINSON to the Minister for Conservation and Land Management:

With respect to the sale by the Department of Conservation and Land Management of the date palms from the Millstream National Park -

- (a) is the Minister aware that these trees were planted by the original pastoralist's wife and also by early camel drivers and are thus an integral part of the history and heritage of the area and of Western Australia;
- (b) how much money was raised through the sale;
- (c) what was that money used for; and
- (d) were the local people consulted before the sale and removal of the trees?

Mr TAYLOR replied:

- (a) I am aware that date palms at Millstream were planted by the original pastoralist's wife and by early camel drivers. The exotic date palms have since spread in the area and are threatening to crowd out the native Millstream palm, which occurs only in that part of the State. Each date palm removed is replaced with a Millstream palm seedling. There is no intention to remove all the date palms from the area.
- (b) \$850.
- (c) The money was deposited in the nature conservation and national parks trust account for use in the management of national parks.
- (d) The operation has been publicised and opportunity existed for anyone with reservations to come forward to CALM staff in the area.

EDUCATION MINISTRY - COUNTRY HIGH SCHOOLS HOSTELS AUTHORITY *Abolition Proposal - Hostel Control*

1093. Mr MINSON to the Minister for Education:

With respect to the proposed abolition of the Country High Schools Hostels Authority -

- (a) is it the Minister's intention to proceed with the abolition and put all hostels under direct centralised ministerial control;
- (b) what efforts will be made to see that the local people of any community have a real input in accordance with the Better Schools program;
- (c) in the event that a hostel underspends its budget, will the money be

retained by that hostel for its own improvement or returned to central funds; and

- (d) since all taxpayers contribute to hostel construction, will it be the policy of any new administration to offer fair access to accommodation for students attending independent schools?

Dr LAWRENCE replied:

- (a) No decision has been made on the future of the Country High Schools Hostels Authority. A proposal to transfer its functions to the Ministry of Education is under consideration;
- (b) it is anticipated that local people would continue to provide input on hostel matters and that there would be greater opportunities for them to extend their role in the pastoral care of students;
- (c) it is proposed that an operating budget would be developed for each hostel after taking into account the specific needs of each. It is expected that the hostels would operate within these budget limits in the same manner and under the same conditions that apply to all other Government agencies and facilities; and
- (d) yes, given that preference will be given to students of Government schools.

MONKEY MIA RESERVE - SIZE
Purpose - Management Responsibility

1094. Mr MINSON to the Minister for Conservation and Land Management:

- (1) What is the size and purpose of the Monkey Mia reserve mentioned in the brochure entitled "Before you meet the dolphins of Money Mia"?
- (2) In whom is the management of the reserve vested?

Mr TAYLOR replied:

(1)-(2)

No specific reserve is mentioned in the brochure. Reserve 1686 of about 451 hectares is jointly vested in the Shire of Shark Bay and the Executive Director of the Department of Conservation and Land Management for the purpose of "recreation". Reserve 40727 of 3.7 hectares is vested in the Shire of Shark Bay for the purpose of "caravan park and camping" and is enclosed within the larger recreation reserve.

ABORIGINAL AFFAIRS - BARRELL WELL RESERVE
Foreign Student - Study and Funding

1095. Mr MINSON to the Minister for Aboriginal Affairs:

- (1) Is the Minister aware that there is a foreign student currently staying at the Barrell Well reserve near Ajana?
- (2) What study is that person undertaking and for what purpose?
- (3) Who is funding that student?
- (4) How did that student come to be chosen for the task that is being undertaken?

Dr LAWRENCE replied:

- (1) The Aboriginal Affairs Planning Authority has advised me that a British student may be staying there.

(2)-(4)

These questions should be referred to the student and the relevant Aboriginal community. No State funds are involved.

EDUCATION - PRIMARY SCHOOL, PALLOTINE MISSION (TARDUN)
Catholic Education Commission - Takeover

1096. Mr MINSON to the Minister for Education:

- (1) Is it true that the Government primary school at the Pallotine Mission (Tardun) is to be taken over by the Catholic Education Commission?

- (2) Will the derelict state of the school be addressed before that handover?

Dr LAWRENCE replied:

- (1) Yes.
- (2) The Ministry of Education has agreed to the Catholic Education Commission's request to take over the Tardun School as it stands, with the existing school buildings, from February 1990.

HEALTH - WARREN DISTRICT HOSPITAL
Redevelopment - Cost

1098. Mr OMODEI to the Minister for Health:

- (1) Will the Minister advise as to the current status of the Warren District Hospital redevelopment?
- (2) Why has the estimated total cost been reduced from \$8.4 million to \$8 million?
- (3) What funds, if any, will there be expended on the hospital redevelopment in 1989-90?
- (4) If it is not intended to fund the hospital redevelopment in the 1989-90 Budget, when will the project proceed?
- (5) (a) What funds were expended on this project in 1989-90; and
(b) what funds have there been expended on the redevelopment in 1989?
- (6) (a) Is the Minister aware that planning for the hospital has taken place over the past six years and that the preparation of the project was advanced to the stage where it was ready to go to tender; and
(b) if yes, can the Minister give reasons why the project has not received funding for the redevelopment?

Mr WILSON replied:

- (1) Contract documents have been completed.
- (2) The approved budget has been reduced to \$800 000, not \$8 million, which equates to the cost of the contract documents.
- (3) \$679 000.
- (4) Construction will proceed when funding is available. Approval will be sought in the 1990-91 Budget process.
- (5) (a) As for (3); and
(b) as for (3), plus \$121 000 expended pre-July 1989.
- (6) (a) Yes; and
(b) there are many competing demands for health funding in 1989-90 and it is not possible for all to proceed this financial year.

HEALTH - HOSPITALS
Secured Nursing Home Wards

1100. Mr GRAYDEN to the Minister for Health:

What hospitals in Western Australia other than the Homes of Peace, Subiaco and Inglewood, have secure nursing home wards?

Mr WILSON replied:

Apart from Mt Henry Hospital there are no other Government nursing homes in Western Australia with specifically dedicated secure wards. Rowethorpe and Carlisle Nursing Homes in the non-Government sector provide such nursing facilities.

TOBACCO ADVERTISING - NEW LEGISLATION*Paid Advertising - Government Engagement*

1102. Mr HASSELL to the Premier:

- (1) Has the Government engaged in paid advertising in relation to its proposed legislation, yet to be introduced, in relation to tobacco advertising and sponsorship of sport?
- (2) If so, advertising in what media has been purchased by the Government?
- (3) Which Minister or Ministers has such advertising featured by way of photographs, use of voice or use of ministerial signature?
- (4) What has been the total cost so far of such advertising?
- (5) What is the total budgeted cost of such advertising?

Mr PETER DOWDING replied:

- (1) Yes. The advertisements are complementary to the QUIT campaign and part of the overall health promotion strategy designed to combat a major health problem in this State.
- (2) Television advertising and Press advertising.
- (3) Premier, Hon Peter Dowding, MLA.
- (4) \$35 285.
- (5) This has not yet been determined and will be dependent on the extent to which the tobacco companies attempt to mislead the public.

TRADE UNIONS - TEACHERS' STRIKE*Advertising - Cost*

1104. Mr HASSELL to the Minister for Education:

What has been the total cost of all advertisements placed so far in relation to the dispute with the State School Teachers Union?

Dr LAWRENCE replied:

\$88 984.95, which included service advertisements to advise parents and school principals of how the industrial action would affect them.

EDUCATION - MIDDLE SWAN PRIMARY SCHOOL*Problems - Inquiries*

1106. Mrs EDWARDES to the Minister for Education:

In respect to the problems being experienced at the Middle Swan Primary School by teachers and students, will the Minister please advise -

- (a) what investigations have been undertaken and by whom;
- (b) have any reports been written in respect to these investigations;
- (c) if yes to (b), will the Minister please provide me with a copy or copies of those report(s);
- (d) if no reports have been written, when does the Minister expect to receive a report or reports;
- (e) are any further investigations to be undertaken;
- (f) if yes to (e), what will these investigations involve, when will they be carried out and by whom;
- (g) if not, have all investigations been completed; and
- (h) if yes to (e), when will the Minister make a decision as to when the teachers and students will be able to return to the school site?

Dr LAWRENCE replied:

- (a) A number of investigations have been undertaken in respect of Middle Swan Primary School and the chief of these have been undertaken by the

Department of Occupational Health, Safety and Welfare of Western Australia, the Health Department of Western Australia, the Environmental Protection Authority, Murdoch University and a privately-contracted consultant;

- (b) yes, one of the most enlightening was written by the EPA;

[See paper No 449.]

- (c) these have been made readily available to the parties involved and copies will be provided to the member;
- (d) not applicable;
- (e) yes;
- (f) investigations are continuing. In particular, following the installation of emission control equipment at the brickworks, tests of efficiency will be undertaken by the EPA and a report provided towards the end of term 4;
- (g) not applicable; and
- (h) it is anticipated that the expert agencies providing advice to the Government will be able to make a decision late in term 4 as to the safety of the site and a decision can then be made concerning the return of the students and teachers. It is anticipated that, all going well, the school will return to its site for the commencement of the 1990 school year.

AGED - RETIREMENT VILLAGES

New Legislation

1109. Mr MENSAROS to the Minister representing the Minister for the Aged:

When is the Minister going to introduce the legislation pertaining to retirement villages?

Mrs HENDERSON replied:

See reply to question 572.

WOODSIDE OFFSHORE PETROLEUM PTY LTD - GOODWIN A PLATFORM

Contract Price - Subcontract Percentage, Western Australia

1110. Mr MENSAROS to the Minister for Resources Development:

- (1) What percentage of the aggregate contract price of Woodside Offshore Petroleum's Goodwin A platform will be done in Western Australia as subcontract to the main contracts?
- (2) Was the Government involved in monitoring the adherence by Woodside to the local manufacturing clause of its State agreement and, if so, would the Minister give details?

Mr PARKER replied:

- (1) As the Goodwyn A major contract packages have yet to be let, the percentage of work to be done locally is not yet known. To the end of July 1989, of the \$337.5 million of contracts and purchase orders awarded 59 per cent was sourced in WA, six per cent from the Eastern States and 35 per cent from overseas. Ultimately, it is expected that Western Australian sourcing should approximate the figures for both the DOMGAS and phase I of the LNG project.
- (2) Yes. Through the North West Shelf national liaison group and via Woodside's monthly local content reports which are provided to the Department of Resources Development, which monitors these reports on a confidential basis.

SAFETY FOR SENIORS FINAL REPORT (1989) - RECOMMENDATIONS

Implementation Progress

1115. Dr GALLOP to the Minister for Transport:

Could the Minister advise the House on the progress of implementation of the recommendations of the Safety for Seniors final report (1989)?

Mr PEARCE replied:

Of the 16 recommendations, Nos 1 to 8, and 16 are the responsibility of the Main Roads Department and progress is as follows -

- (1) Elimination of zebra crossings: It has been departmental policy for a number of years to pursue the provision of alternative treatments to replace zebra crossings. There are now less than 40 zebra crossings in metropolitan Perth, very few of which are on major routes. All these existing sites are reviewed on a regular basis.
- (2) Provision of painted and concrete medians: Concrete and painted medians are being provided on an ongoing basis. The cooperation of local governments is often needed because of parking bans required. The painted medians provided in Hillview Terrace, Bentley and Jarrah Road, East Victoria Park are examples of recent installations.
- (3) Angled gaps: The department's standard drawings now show angled gaps and handrails on appropriate mid block islands with complementary pedestrian ramps at kerblines. Examples of these can be seen in Bagot Road and Barker Road in Subiaco.
- (4) Length of time for pedestrian "Walk" phases: The department has adopted a walking speed of 1.0 metre/second for pedestrian crossing facilities.
- (5) Provision of exclusive "Walk" phase: Pedestrian phases are now considered for traffic signals where pedestrian movements are frequent. A number of signal sites are currently being upgraded to provide this feature.
- (6) Time displacement methods for signals: The time displacement method of allowing pedestrians to start using a green walking man signal and then, some two to three seconds later, permitting conflicting vehicle turn movements to start has never been used in this State. It has been the Main Roads Department's practice to use the green walking man symbol only where pedestrians are protected from all vehicular traffic. This practice has obvious pedestrian safety features which will not be sacrificed without a strong expectation of significant advantage being gained. Preliminary inquiries have started and a study of the proposal will follow.
- (7) Advance warning flashing amber signals: An advance warning flashing amber system will be tested in about a month's time to check the value of this device. The trial will be on the westbound side of South Street approaching the Gilbertson Road traffic signals. The department is confident that benefits will accrue from this technique.
- (8) Pedestrian bridges and underpasses: The provision of pedestrian bridges and underpasses is generally guided by the safety for seniors working group's recommendation to confine their use to freeway, river and rail crossings. However, where the road is in a deep cutting or on a high embankment, there may be opportunity to provide a safe pedestrian crossing without the disadvantage of pedestrians having to climb or descend to use the crossing.
- (16) The activities of the working group have been absorbed by the Main Roads Department traffic management directorate, which now gives a higher profile to pedestrian needs in designing and installing traffic management devices. The department is developing consultative processes with community groups aimed at fostering increased awareness of the objectives of traffic management projects and encouraging suggestions for improvements;

General: In addition to this action the Main Roads Department has adopted the practice of encouraging the upgrading of street lighting near pedestrian

refuges to Australian standard 1158-1. This will assist pedestrians particularly those who have problems with night vision.

Recommendations nine and 10-15 apply to local government and the Police Department. Although recommendation 10, the "Use of Traffic Management Devices to Reduce Vehicle Speeds in Local Streets", is a matter for local government, the department is assisting by preparing a manual on local area traffic management.

EMERGENCY SERVICES - KWINANA INTEGRATED EMERGENCY MANAGEMENT SYSTEM

Completion - Additional Funds Approval

1117. Mr WATT to the Minister for Police and Emergency Services:

- (1) Have additional funds recently been approved for the completion of the Kwinana integrated emergency management system (KIEMS)?
- (2) If so, how much and when was it approved?
- (3) What are the details of how the funding is to be spent?
- (4) What is the timetable for the completion and implementation of the KIEMS plan?

Mr TAYLOR replied:

- (1) Yes.
- (2) \$250 000 was approved by Cabinet on 10 July 1989.
- (3) The funding is for consultancy expenses for the following components of the KIEMS project -
 - Marine safety audit.
 - Road access review.
 - Hazardous pipeline study.
 - Independent audit of stage 2 KIEMS document.
 - Review of hazardous transport network.
 - Data input and retrieval system.
- (4) It is anticipated that stage 2 will require 18 months to complete, with ongoing maintenance to ensure viability of the project after that date. Formal commencement of stage 2 is anticipated as soon as interdepartmental arrangements are completed.

WESTERN AUSTRALIAN GOVERNMENT HOLDINGS LTD - NOTES SALE

New South Wales Government - South Australian Government

1120. Mr COURT to the Deputy Premier:

Is it correct that on "The 7.30 Report" of Wednesday, 20 September the Deputy Premier said that the New South Wales Government had bought Western Australia Government Holdings notes before the South Australian Government, or was it after the South Australian Government had sold its notes?

Mr PARKER replied:

I have said that, because of the nature of promissory notes, information about the holders and the duration of their holding is irrelevant to the issuer, and that in this instance such information was not sought by the issuer. I have never said that the New South Wales Government purchased WAGH promissory notes. It is now widely known that the New South Wales Treasury Corporation was a holder of WAGH promissory notes. It is also widely known, as the member is no doubt aware, that the New South Wales Treasury Corporation was the first purchaser of WAGH promissory notes.

TRADE UNIONS - TEACHERS' STRIKE

Man-Hours Lost

1122. Mr NICHOLLS to the Minister for Education:

- (1) How many man hours have been lost during the current teachers' dispute?
- (2) How long has the Minister been aware of the teachers' grievances?
- (3) Did the Minister give any indications, prior to the last election, that teachers would receive special consideration resulting in increases in salaries?
- (4) What is the comparison of average remuneration between Western Australian State school teachers and private school teachers who are of equivalent qualification?
- (5) Has any additional income been granted to teachers, via productivity payments, since the introduction of aspects of the Better Schools report?
- (6) What were the costs incurred by the Government, in an effort to counter the teachers' claims, in the areas of -
 - (a) direct mail literature;
 - (b) television advertising;
 - (c) newspaper advertising;
 - (d) radio advertising; and
 - (e) sundry costs?

Dr LAWRENCE replied:

- (1) The total working hours lost during the teachers' dispute has been calculated at 99 489 hours. This figure is an approximation based on the information available as at 22 September 1989.
- (2) The State School Teachers Union lodged the claim to increase salaries for teachers in January 1989. This was the first official indication of teachers' grievance over the salaries.
- (3) No.
- (4) The independent school teachers' award, which stipulates the minimum rates to be paid to teachers in the private sector, is the same as the salaries paid to Government school teachers. It is understood that some private educational institutions pay more than the stipulated minimum rate.
- (5) Yes. Since the introduction of the Better Schools report there have been two State wage decisions which have provided four separate increases based on improvements in productivity. These were -
 - (i) a four per cent second tier increase commencing first pay period on or after 14 April 1988, and a \$10 increase six months after; and
 - (ii) a three per cent increase commencing first pay period on or after 16 September 1989, and a \$10 increase six months after.
- (6) The cost the Ministry of Education associated with the teachers' salary campaign in the specific areas identified are -
 - (a) No additional costs involved in direct mail because internal mail and courier systems within the ministry have been utilised during the dispute;
 - (b) no television advertising has been used during the campaign;
 - (c) the newspaper advertising has cost \$88 984.95 from the commencement of the salaries claim until 21 September 1989;
 - (d) no radio advertising has been used during the campaign; and
 - (e) the sundry cost associated with the industrial dispute has been handled with existing resources and accordingly no identified costs are available.

CRIME - "YEAR'S GAOL FOR VICIOUS ATTACK"
Youth Sentence - Work

1131. Mr HASSELL to the Minister representing the Attorney General:

- (1) Further to question 902 of 1989, when will the youth be given work or other release?
- (2) When will he be eligible for parole?

Mr D.L. SMITH replied:

- (1) Other than participation in approved activity programs under section 94 of the Prisons Act, any form of leave or release from prison is subject to consideration of the individual case at, or near to, the date of eligibility for the particular leave or release. I am not able to speculate as to if, or when, Mr Davis may be approved to participate in any other leave program.
- (2) Earliest eligibility date for release on parole is 12 June 1990.

AIRPORTS, BROOME - BROOME SHIRE COUNCIL
Sale Proposal - No Tenders, Government Policy

1132. Mr HASSELL to the Minister representing the Minister for Local Government:

Further to question 1001 of 1989, what is the Government's policy in relation to the proposed sale of the local airport by the Shire of Broome without calling tenders?

Mr D.L. SMITH replied:

Under the provisions of section 514A of the Local Government Act, the Minister can approve the purchase and resale of land by a local government if satisfied that it is economic and of benefit to the district. The Government believes that the relocation proposal for the Broome airport is in the best interests of that community.

**WESTERN AUSTRALIAN DEVELOPMENT CORPORATION - ACTS
 AMENDMENT (ACCOUNTABILITY) ACT 1989**
Application

1133. Mr HASSELL to the Premier:

Further to question 915 of 1989, does the Act referred to apply in full to the Western Australia Development Corporation at this time?

Mr PETER DOWDING replied:

I refer the member to the *Government Gazette* No 98 of Friday, 22 September 1989, which contains the proclamation that section 8 and part 8 of the Acts Amendments (Accountability) Act 1989 will come into operation on 1 October 1989.

FRUIT FLIES - BAITERS
Safety Procedure Instructions - Protective Apparatus

1134. Mr BRADSHAW to the Minister for Agriculture:

- (1) Are people employed as fruit fly baiters instructed on safety procedures in the use of the baits?
- (2) What protective apparatus is provided?

Mr BRIDGE replied:

- (1) Yes.
- (2) On advice from the Department of Occupational Health, Safety and Welfare baiters are provided with overalls, gloves and a hat. Staff involved in handling concentrated chemical are provided with face shields.

EDUCATION MINISTRY - ALBANY, KATANNING REGIONS
Guidance Officers - Employment

1136. Mr HOUSE to the Minister for Education:

- (1) Referring to guidance officers in the Albany region employed by the Education Ministry -
 - (a) how many are employed; and
 - (b) how many are part time positions?
- (2) Referring to guidance officers employed by the Education Ministry in the Katanning region -
 - (a) how many are employed;
 - (b) how many of these are full time positions; and
 - (c) how many are part time positions?
- (3) Is it a fact that there is a shortage of guidance officers in both the Albany and Katanning regions?
- (4) Is it a fact that some of the people filling positions as guidance officers are not properly qualified to hold these positions?

Dr LAWRENCE replied:

- (1) (a) There are currently eight personnel occupying six full time equivalent (FTE) positions; and
 - (b) none of these positions is designated a part time position but four officers currently work part time.

NB: The guidance officer allocation for the Albany education district is six FTEs.
- (2) (a) Katanning falls within the Albany education district so its guidance staff are included in the above figures; and
 - (b)-(c) one officer is based in Katanning and is appointed to the Katanning Senior High School for three days a week. Other schools in Katanning are serviced by the district's officers.
- (3) No.
- (4) Guidance officers are both psychologists and teachers. All of the current staff meet the psychology qualifications set by the Board of Psychologists in Western Australia for registration. All staff are required to be registered with the board. One officer in the Albany district is employed on a short term contract - one day a week - to undertake psychological assessment and measurement duties only. This officer has not completed teacher training.

HEALTH - BUNBURY REGIONAL HOSPITAL
Silver Thomas Hanley Report - Public Report, Variation

1137. Mr BRADSHAW to the Minister for Health:

- (1) Does the first report to the Health Department from Silver Thomas Hanley on the Bunbury Regional Hospital vary from the report publicly released?
- (2) If so, how?

Mr WILSON replied:

- (1) There is only one report produced by Silver Thomas Hanley on the Bunbury Regional Hospital.
- (2) As part of the drafting process the consultants prepared a draft which was discussed at a local level with the project steering committee. Minor amendments were suggested prior to final printing and presentation to the Health Department. Changes were in form rather than content.

HEALTH - BUNBURY REGIONAL HOSPITAL
Budget Allocation

1138. Mr BRADSHAW to the Minister for Health:

- (1) How much money has been allocated for the Bunbury Regional Hospital in this year's Budget?
- (2) What is this money allocated for?

Mr WILSON replied:

- (1) \$11.97 million exclusive of cost of future industrial decisions.
- (2) \$11.83 million for operations.
\$0.14 million for special equipment.

ROTHWELLS LTD - LATE NIGHT MEETING
Bond Corporation, Deposit - Minister for Economic Development and Trade, Letter of Assurance

1141. Mr MacKINNON to the Minister for Economic Development and Trade:

- (1) Is it correct, as reported on "The 7.30 Report" of last week, that the Minister along with Bond executives met at a late night meeting on 3 June of last year to conclude an agreement that saw Bond Corporation place money into Rothwells Ltd in consideration for a letter of assurance being extended by the Minister on behalf of the Government to Bond Corporation?
- (2) What date and time was the meeting held?
- (3) Who was in attendance at the meeting?
- (4) What was contained in the letter of assurance?
- (5) Will the Minister table the letter?
- (6) If not, why not?

Mr GRILL replied:

(1)-(6)

The question of this so-called letter of assurance has been raised and answered in several questions, both with and without notice. I cannot enlarge on the answers already given. As the only evidence of this letter that I can presently locate is contained in a vague statement made by Mr P. Beckwith in a Press statement and as those matters are the cause of litigation, I feel that the subject should now be left for the courts.

HOUSING - HOMESWEST
Dewey and Barbican Streets - Lots 864 and 865, Units Construction Cost

1142. Mr MacKINNON to the Minister for Housing:

What was the cost to Homeswest of the 22 two-bedroom units of private rental accommodation constructed on lot 864 and lot 865 in Dewey/Barbican Streets Riverton as referred to in question 977 of 1989?

Mrs BEGGS replied:

There was no cost to Homeswest.

WESTERN AUSTRALIAN INVESTMENT ADVISORY SERVICE - BUSINESS DETAILS

1143. Mr MacKINNON to the Premier:

What business does the company Western Australian Investment Advisory Services - referred to in question 991 of 1989 - carry out?

Mr PETER DOWDING replied:

Western Australian Investment Advisory Services Ltd manages the Western Australian business migration trust. The trust aims to facilitate overseas

investment in Australia and provides a facility for prospective business migrants that indicates the genuineness of their investment and residential intentions in Australia.

WESTERN AUSTRALIAN GOVERNMENT HOLDINGS LTD - BUDGET EXCESS
Expenditure Proposals - Losses, Premier's Awareness

1145. Mr MacKINNON to the Premier:

In view of the significant budget overrun in the last year and the even more significant proposed expenditure in the current year for Western Australian Government Holdings -

- (a) when did the Premier learn of the proposals which led to these huge losses;
- (b) at that time what was the amount of the expenditure that was understood to be involved;
- (c) when did the Government first learn that the excess would be of the magnitude of \$38 million; and
- (d) why did the Premier not bring to Parliament a supplementary Appropriation Bill?

Mr PETER DOWDING replied:

The member's reference to "huge losses" is typically mischievous and incorrect. The \$38 million advance to WAGH was drawn from a 1988-89 revenue collection surplus of \$226.3 million. It did not impact on the Government's program.

The \$38 million referred to by the member is made up of \$20 million, which enabled WAGH to fund, in part, its project interim financing obligations to PIL, and a balance of \$18.8 million, the components of which are set out in the answer to question 565.

When, in October 1988, it made its decision to participate in the Kwinana petrochemical project, the Government became aware that the WAGH would require assistance to service its debenture obligations at least until the project came on-stream and that WAGH would assume project interim financing obligations until the first drawdown of project finance. Initially it was thought that WAGH could fund these obligations with external debt. External financing was partially achieved and the Government assisted the WAGH to discharge the balance of its obligations through the mechanism of a loan facility.

With the very recent commencement of the liquidation of PIL, it is not presently possible to ascertain with any degree of certainty the status of the WAGH's investment in and advances to the Kwinana petrochemical project. Consequently the status of the Government's loans to the WAGH has yet to be decided. The Government is also assessing its alternatives for the establishment of a petrochemical project now that the PIL project has collapsed. Until these determinations can be made the question of losses does not arise.

ELECTIONS - STATE GENERAL 1989 ELECTION
Non-voters - Queries, Notices

1146. Mr MENSAROS to the Minister for Parliamentary and Electoral Reform:

Adverting to the reply from the Minister to question 720 of 1989, would the Minister disclose, regarding the 1986 State general election -

- (a) the number of electors of whom queries/notices were sent regarding their not voting; and
- (b) the number of notices which - from the ones mentioned under (a) above - were returned to the Western Australian Electoral Commission unclaimed?

Mr PEARCE replied:

- (a) In the 1986 Stage general election, 56 075 notices for apparent failure to vote were sent to electors; and
- (b) because of the way in which statistical records were kept for the 1986 general election, no record of the total number of notices described in (a) which were returned unclaimed is available.

QUESTION - No 598

Letter, Answer Date - Unanswered Question

1147. Mr MENSAROS to the Minister for Police and Emergency Services:

What is the reason that my question 598 of 1989, asking when I can expect to receive an answer to my nine month old letter dated 16 January 1989 to the Minister, has not yet been answered?

Mr TAYLOR replied:

See reply to question 598.

WATER AUTHORITY OF WESTERN AUSTRALIA - BOARD MEMBERS

Appointment - Qualifications

1148. Mr MENSAROS to the Minister for Water Resources:

- (1) Who are the members of the board of the Water Authority of Western Australia?
- (2) When was each member appointed and to what term?
- (3) What is each member's qualification?

Mr BRIDGE replied:

(1)-(3)

Mr R.M. Hillman, AO, BE, Hon FIE Aust, FTS; Chairman of the Water Authority.

Appointed initially on 22 May 1984; current term expires on 30 June 1990. Previously Director of Engineering of the Public Works Department.

Mr K.M. Chance.

First appointed 22 May 1984; current term expires on 30 June 1990. Wheat, sheep and cattle producer in the eastern wheatbelt.

Mr F.J.P. Fiore, Ass.Min.Eng.(WASOM), Min.Vent.Tech (WASOM).

Appointed 1 July 1988 for a term expiring on 30 June 1991. Mining engineer; chief executive of a mining company at Kalgoorlie.

Mrs J.M. Hodgson.

Appointed initially on 22 May 1984; current term expires on 30 June 1991. Business manager in the catering industry; previously Mayor of Albany.

Mr K.J. Kelsall, AM BE(Hons), Hon FIE Aust.

First appointed on 12 June 1984, in the capacity of Chairman of the Western Australian Water Resources Council; current term expires on 31 December 1990. Previously Chairman of the Western Australian Water Resources Council and before then Director of Engineering of the Metropolitan Water Authority.

Mr D. Kuzmanovich.

Elected on 17 February 1988 for a term of three years. Elected by the Water Authority's wages employees.

Mr E.J. Murphy, BE(Hons), MEngSC.

First elected 1 October 1985; subsequently elected on 1 October 1988 for a further three years. Elected by the Water Authority's salaried employees.

Mr T.J. Perrott, AM, Cit WA, AASA, ACIS, FID.

Appointed initially on 22 May 1984; current term expires on 30 June 1990. Company director.

Ms H.G. Sheehan.

First appointed on 29 July 1986; current term expires on 30 June 1992. Business proprietor.

Mr W.S. Shelton, BE(Hons), FIE Aust; Chairman of the Western Australian Water Resources Council.

Appointed on 1 January 1988 for a term of three years. Previously Director of Operations with the Water Authority.

Mr K.C. Webster, CEng, DipAdmin, FICE, FIE Aust; Acting Managing Director of the Water Authority.

Appointed 4 July 1989 for an indefinite term pending appointment of managing director. Substantively Director of Water Resources of the Water Authority.

EDUCATION - NON-GOVERNMENT SCHOOLS

State Funding - Enrolments

1149. Mr MENSAROS to the Minister for Education:

- (1) What is the total State funding for non-Government schools in Western Australia in the current financial year?
- (2) What is the estimated enrolment in the non-Government schools on which funding has been calculated?
- (3) On what basis has per capita grants been calculated?

Dr LAWRENCE replied:

- (1) \$87.93 million. This amount excludes some transport provisions.
- (2) 69 530.
- (3) Per capita funding for the current year is the amount paid in 1988 indexed by the schools price index and additional real increases of between one per cent and three per cent for different categories of schools.

TRANSPORT - CONCESSIONS

Interstate - Reciprocal Rights

1151. Mr TUBBY to the Minister for Transport:

- (1) Are transport concession passes issued by other States accepted for use on public transport in Western Australia?
- (2) If not, has any move been made to establish reciprocal rights between States on transport concessions?

Mr PEARCE replied:

- (1) No. However, Commonwealth Department of Social Security cards issued in other States to aged pensioners, war service pensioners and totally and permanently incapacitated pensioners are recognised for concessional travel on Western Australian public transport as follows -
 - (a) On all Transperth services; and
 - (b) on Westrail services on the Perth-Kalgoorlie rail service only.

In addition, railway employees from other States may obtain free travel on three country station-to-station services in this State during any full period of leave.

- (2) The proposal has been examined on a number of occasions but rejected on the basis of cost. To extend the concession to all Westrail services has been estimated to cost Western Australian taxpayers some \$5 million.

UNDERWATER WORLD⁹ INTERNATIONAL - SENIOR EXECUTIVES

Titles

1153. Mr COURT to the Premier:

Would the Premier list the names of the people who hold the senior executive positions at Underwater World International and the title of their positions?

Mr PETER DOWDING replied:

Mr Rodney Popham - Managing Director.

Mr Rick Dunn - Company Secretary and General
Manager, Marketing - on
secondment from the Western
Australian Development
Corporation

UNDERWATER WORLD INTERNATIONAL - DIRECTORS

Employee Level

1154. Mr COURT to the Premier:

- (1) Who are the current directors of Underwater World International?
(2) What is the current staffing level of Underwater World International?

Mr PETER DOWDING replied:

- (1) Mr John Osborn.
Mr Jeff Owens.
Mr Rodney Popham.

- (2) Three permanent employees and one on secondment.

WESTERN AUSTRALIAN DEVELOPMENT CORPORATION - SENTOSA

UNDERWATER WORLD

Funding - Borrowings

1155. Mr COURT to the Premier:

Is the Western Australian Development Corporation borrowing funds to meet its commitments in relation to Sentosa Underwater World or is it being internally funded?

Mr PETER DOWDING replied:

The Western Australian Development Corporation is providing loan funds to its wholly owned subsidiary, Underwater World International Pty Ltd, from the corporation's internal sources, which are being used to meet obligations Underwater World International has in relation to the Sentosa project.

WESTERN AUSTRALIAN DEVELOPMENT CORPORATION - UNDERWATER WORLD INTERNATIONAL

Ownership Date

1156. Mr COURT to the Premier:

On what date did the Western Australian Development Corporation become the 100 per cent owner of Underwater World International?

Mr PETER DOWDING replied:

6 June 1989.

SENTOSA UNDERWATER WORLD - BUILDING COST
Funding Responsibility

1157. Mr COURT to the Premier:

- (1) What is the budgeted cost of building Sentosa Underwater World?
- (2) Who is responsible for the funding of this project?

Mr PETER DOWDING replied:

(1)-(2)

As I informed the House in answer to question 273 of 1989, the Western Australian Development Corporation is currently disposing of its investment in Underwater World International. It is my view that disclosure of this or any other sensitive financial information at this time would detract from the corporation's ability to negotiate the sale of its interest in a commercial manner.

UNDERWATER WORLD INTERNATIONAL - SENTOSA UNDERWATER WORLD
Development - Company Purchase

1158. Mr COURT to the Premier:

- (1) Does the Underwater World International have a company prepared to buy whole or part of the Sentosa Underwater World development when it is completed?
- (2) If yes, who is that party?
- (3) What price is to be paid for the development?

Mr PETER DOWDING replied:

(1)-(3)

As I informed the House in answer to question 273 of 1989, the Western Australian Development Corporation is currently disposing of its investment in Underwater World International. It is my view that it is not appropriate to disclose details of any negotiations which may have taken place in relation to the Sentosa project at this time, as such disclosure would detract from the corporation's ability to negotiate the sale of its interest in a commercial manner.

SEA STRUCTURES LTD - SENTOSA UNDERWATER WORLD
Development - Government Agreement

1159. Mr COURT to the Premier:

- (1) What agreement does the Government have with Sea Structures Ltd for the development of Sentosa Underwater World?
- (2) What agreement does the Government have with Sea Structures Ltd for the development of other Underwater World developments internationally?
- (3) Will the Government table these agreements?
- (4) What fees and expenses have been paid to date to Sea Structures Ltd?

Mr PETER DOWDING replied:

(1)-(2)

None. However Underwater World International Pty Ltd, a wholly owned subsidiary of the Western Australian Development Corporation, has an agreement with Sea Structures and other parties involving possible future Underwater World developments.

(3)-(4)

As I informed the House in answer to previous questions, the corporation is disposing of its interest in Underwater World International. It is my view on advice from the board that its disclosure of details of the agreement at this time would detract from the corporation's ability to negotiate the sale of its interests in Underwater World International in a commercial manner.

ST JOHN AMBULANCE ASSOCIATION - CONCESSIONS

Energy Charges - Fuel Tax

1161. Mr NICHOLLS to the Minister for Health:

- (1) Would the Minister please inform me whether the St John Ambulance Association is entitled to -
 - (a) concession on State Energy Commission of Western Australia charges; and
 - (b) concession on fuel tax; and
 - (c) whether the Federal Government allows concessions on telephone connection and charges?
- (2) If no to any of the above, why not?
- (3) If yes to any of the above, to what extent?

Mr WILSON replied:

- (1) (a)-(c)
No.
- (2) Questions as to the reasons why not would be more appropriately addressed to the agencies concerned.
- (3) Not applicable.

HOUSING - HOMESWEST

Funds "Cash at Bank on Hand" - Amounts

1165. Mr LEWIS to the Minister for Housing:

- (1) What was the amount of funds held by Homeswest under the classification "Cash at Bank on Hand" at 30 June 1989, 1988, 1987 respectively?
- (2) What is the projected amount of funds to be held under this classification at 30 June 1990?
- (3) How much of the funds in (1) and (2) were committed, or are planned to be committed, at those dates?

Mrs BEGGS replied:

- (1) 30.6.87 - \$ 72 190 440
30.6.88 - \$106 329 366
30.6.89 - \$114 798 824.
- (2) \$13 286 000.
- (3) 30.6.87 - \$ 72 190 440
30.6.88 - \$ 78 216 000
30.6.89 - \$ 86 461 000
30.6.90 - \$ 13 286 000.

HOUSING - HOMESWEST

Capital Works Program - Keystart Expenditure, Investment Item

1166. Mr LEWIS to the Minister for Housing:

In respect of the Homeswest Capital Works Program -

- (a) on what basis can it be justified that an expenditure, Keystart, can be shown as an investment item within one year's Capital Works Program and then be redeemed and included as revenue in the following years;
- (b) in the situation in (a), does not the inclusion as an expenditure in one year and income in the following year constitute double counting; and
- (c) if not, why not?

Mrs BEGGS replied:

- (a) In the financial year 1988-90, \$30 million was invested in the Keystart housing scheme - a completely separate legal entry - physically being drawn out of Homeswest's bank account. In the financial year 1989-90, the Keystart housing scheme will repay the \$30 million to Homeswest, when the investment is redeemed, and the \$30 million will physically be paid back into Homeswest's bank account. The position in Homeswest's books of account is therefore -

1988-89	:	- \$30 million.
1989-90	:	+ \$30 million.
Net effect	:	\$nil.

The position in the Keystart housing scheme's books is -

1988-89	:	+ \$30 million
1989-90	:	- \$30 million.
Net effect	:	\$nil.

Projected interest accruing for the investment is reflected elsewhere in the Budget;

- (b) there is no suggestion of double accounting either in Homeswest's books or in the Keystart housing scheme's books; and
- (c) see (a).

HOUSING - HOMESWEST *Government Funding*

1167. Mr LEWIS to the Minister for Housing:

What is the total amount of funds provided by the State Government to Homeswest in 1989-90, and in the two previous Budgets, through -

- (a) Consolidated Revenue Fund;
- (b) other grants; and
- (c) loans?

Mrs BEGGS replied:

- (a) 1989-90 -
- | | |
|-------|------------|
| (i) | Nil. |
| (ii) | \$650 000. |
| (iii) | Nil. |
- (b) 1988-89 -
- | | |
|-------|---------------|
| (i) | Nil. |
| (ii) | \$64 500 000. |
| (iii) | \$11 000 000. |
- (c) 1987-88 -
- | | |
|-------|---------------|
| (i) | Nil. |
| (ii) | \$44 650 000. |
| (iii) | \$ 6 000 000. |

Note: Commencing this year, funding arrangements between the State and Commonwealth Governments have changed and this is reflected in parts (ii) and (iii) above. Consequently the amount allocated in the Budget is commensurately reduced.

HOUSING - HOMESWEST
Fogerthorpe Crescent, Maylands - Land Purchase

1169. Mr STRICKLAND to the Minister for Housing:

- (1) Will the Minister confirm that land has been purchased by Homeswest in Fogerthorpe Crescent, Maylands?
- (2) What are the details of the land purchase on price, land area and zoning?
- (3) Which parties - that is, agent, vendor and vendor's principal, if applicable - were involved in the transaction?
- (4) Who initiated the deal?
- (5) What is the nature of and the expected yield for the site and what will be the estimated cost?
- (6) How does the total project conform in terms of the State Planning Commission's preferred strategy?
- (7) What identified demand from Homeswest's waiting list has prioritised this land purchase?
- (8) What is the nature of the demand which will be met by this project?
- (9) What social infrastructure will be taken advantage of by the acquisition of this land?
- (10) What is the estimated percentage cost of the land for the project?
- (11) Has any arrangement been made with a developer for construction of the project?
- (12) If so, what is the construction company and who is the principal?
- (13) What is the estimated completion date for development?

Mrs BEGGS replied:

It is assumed the property in question is Lot 8 Fogerthorpe Crescent, Maylands.

- (1) Yes.
- (2) Price - \$362 000.
Area - 3 271 square metres.
Zoning - R20/40. R40 applies in this case because sewerage is available
- (3) The vendor was Ipsaro Builders Pty Ltd. The principal is Guiseppe Ispara-Passione. There was no agent.
- (4) The vendor.
- (5) The zoning permits 13 family units or 50 per cent bonus for aged persons units. However, the current proposal is for 11 family units. The cost has not yet been determined.
- (6) The proposed development conforms with Department of Planning and Urban Development requirements.
- (7) There is an extensive list of applicants for family units in Maylands.
- (8) Family applicants.
- (9) Proximity to city, primary schools, shopping, recreation, public transport, medical facilities, public telephone.
- (10)-(13) Homeswest is negotiating with the vendor to undertake a unit development for families. It is expected negotiation will be completed in the near future.

EDUCATION - SALARIES
Scale OIFF - Purpose

1171. Mr STRICKLAND to the Minister for Education:

- (1) What was the purpose for the introduction of the salary scale OIFF?
- (2) What are the salaries for -
 - (a) deputy principal - class 1 primary school;
 - (b) senior master - less than eight years; and
 - (c) senior master - more than eight years?
- (3) Do the broadbanding proposals from the ministry equate these salaries and, if so, what are the proposed increases for each?
- (4) In consideration of this, how will the ministry encourage the experienced senior teachers to remain in the classroom?

Dr LAWRENCE replied:

- (1) Salary scale OIFF was introduced to provide a salary increment to long serving senior teachers. Without this provision, these teachers would have remained on a single salary point with no annual increments for the duration of their senior teacher service.

- (2) Current salaries for listed positions are as follows -

	<u>4 Year Trained</u>	<u>Other</u>
(a) Deputy Principal, Class 1 Primary	35 759	31 912
(b) Senior Teacher, Secondary - less than 8 years	37 404	33 516
(c) Senior Teacher, Secondary - more than 8 years	38 432	34 394

Most teachers in promotional positions are on the four year trained salary scale.

- (3) The Ministry's broadbanding proposals place both Deputy Principals, Class I Primary and Senior Teachers, Secondary in band 4. This band provides three annual increments, meaning that, within 24 months, all appointees will be earning a salary higher than that earned at present by senior teachers with over eight years experience.

The relevant salary figures are as follows -

	<u>Proposed Salaries</u>	<u>Deputy Principal 1</u>	<u>Salary Increases</u>	<u>Senior less than 8 years</u>
Commencing salary				
on date of ratification (first 3%)	38 647	2 893		1 243
six months later (second 3%)	39 806	4 052		2 402
First annual increment (12 months later)	40 654	4 900		3 250

Second annual increment (24 months later)	41 502	5 748	4098
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The senior teacher with over eight years experience will transfer to the third point of the proposed new salary scale, in recognition of his/her higher current salary. This will give increases as follows -

On date of ratification	1 861
Six months later	3 070

- (4) The ministry's offer means that, in future, skill acquisition will be recognised and rewarded in the early years of a promotional appointment, rather than after a wait of eight years.

As indicated in the restructuring package, the ministry is interested in developing future initiatives to provide worthwhile career paths for teachers in the classroom. Such initiatives should certainly extend from classroom teachers to those in the first promotional levels where there is still a significant classroom teaching component.

QUESTIONS WITHOUT NOTICE

PETROCHEMICAL PROJECT - STATE ENERGY COMMISSION

Government Guarantee - Governor's Approval, Premier's Supplementary Information

175. Mr PETER DOWDING (Premier):

I wish to provide the House with supplementary information to a question asked yesterday by the Deputy Leader of the Opposition. I made it clear in my answer that I was very dissatisfied with the trust that one places in the questions asked by the Opposition because they were often based on misinformation or deliberately phrased to create a wrong interpretation in the minds of listeners, without my having an ability to get the detail. Yesterday, he asked: -

Why did the Premier write to the State Energy Commission on 23 January 1989 saying that the Governor had given his prior approval under the Northern Mining Corporation (Acquisition) Act 1983 for the State to irrevocably unconditionally guarantee WA Government Holdings Ltd payments to SECWA . . .

My answer, in its somewhat equivocal terms last night, was not intended not to supply information to the public, but was intended to try to get information to test what the Deputy Leader of the Opposition was supplying. In true form, he was misleading the public by the question because the guarantee was signed on the same day as the request for the Governor to approve the issue of the guarantee was made. As events turned out, it was not possible to hold the Executive Council meeting until 24 January and the meeting was held in escrow pending the Exco meeting being held. The letter was held in escrow and not passed over, I understand, until some time in July.

Mr Court: You did not have the Governor's approval.

The SPEAKER: Order! Let us try to deal with 12 questions and answers. That will be aided by fewer interjections.

EDWARDS, MR KEVIN - PARLIAMENT HOUSE MEETING

Deputy Premier - Attendance

176. Mr MacKINNON to the Deputy Premier:

- (1) Did the Deputy Premier meet last evening with Mr Kevin Edwards, formerly the director of the Department of the Premier and Cabinet and also the same person who was charged under section 38 of the Companies Code with assisting Lloyd and Hilton in obtaining the loan which was converted to the use of Rothwells?

- (2) Was that meeting attended at various times by the -
 - (a) Premier;
 - (b) Minister for Fuel and Energy; or
 - (c) Minister for Economic Development and Trade?
- (3) Was the purpose of the meeting to discuss -
 - (a) Mr Edwards' forthcoming court case involving charges relating to the R & I Bank; or
 - (b) the current cash crisis of the State Government Insurance Commission; or
 - (c) the Government's petrochemical project problems; or
 - (d) other matters?

Mr PARKER replied:

(1)-(3)

If I wanted to have a meeting which was not available to the eyes of Hon George Cash, I do not suppose I would have had it in the middle of Parliament House last night. It is not my normal practice to disclose with whom and for what purpose I have meetings and it is not normally the way that I conduct business. I am not aware of any Government in the world that does. I meet with all sorts of people constantly.

While it is true that I attended a meeting with Mr Edwards last evening, it is true also that that meeting had nothing whatever to do with any of the matters which have been detailed by the Leader of the Opposition or any other matters to do with those sorts of issues. It is not true also that the Premier was at any time in attendance at the meeting.

ROTHWELLS LTD - NATIONAL COMPANIES AND SECURITIES COMMISSION *Inquiry - Terms of Reference*

177. Dr ALEXANDER to the Premier:

In view of the claims made in the House last Thursday, will the Premier clarify the situation in relation to the terms of reference of the National Companies and Securities Commission's inquiry into Rothwells?

Mr PETER DOWDING replied:

The Deputy Leader of the Opposition, the Leader of the Opposition, the member for Applecross and the member for Cortesloe have regularly fallen into the habit of making statements in the House for which they have no proof; they sound convincing but in the final analysis, when the statements are checked again and again, they are found to be without any substance. Last week the member for Applecross claimed certain matters in relation to the terms of reference of the McCusker inquiry. We have been through this in some detail to establish the following facts: Firstly, the terms of reference were drawn up by the NCSC; secondly, the Attorney General was consulted about them but they were decided by the NCSC; and, thirdly, the Attorney General and the Government had no involvement in compiling the list of companies.

Mr Lewis: That is not so.

Mr PETER DOWDING: The member sits there and makes assertions with no evidence. He effectively slanders the reputations of politicians and non-politicians and sits there in his comfortable knowledge knowing no-one can do anything about it because anything he says is subject to parliamentary privilege. However, there are parliamentary standards, rules of debate and conventions in this place. The convention that the Opposition ignores day after day is that which determines that it should not make these sorts of serious allegations unless it has some evidence.

Mr McCusker has confirmed that the list of companies in the terms of reference do not restrict him in his investigations. Mr Berinson said that he had been advised by Mr McCusker that the terms of reference authorised a full investigation into all persons or parties involved to the extent that there are matters which give rise to a suspicion that an offence under the Companies Code or the Statute may have been committed whether or not a party to that offence is named in the schedule.

The member for Applecross asserted that the terms of reference were not public until published in the *Government Gazette*. As I have pointed out, the terms of reference were tabled in answers to questions in both Houses, on 5 April in the Assembly in response to a question from the member for Cottesloe and in the Legislative Council in response to a question from the then Leader of the Opposition. They were gazetted eventually at Commonwealth level because the Commonwealth authorities discovered that that was an essential requirement.

Let us go back to the nub of it. I made that statement to the House after investigating the matter.

Mr Lewis: Yes, I told you last week.

Mr PETER DOWDING: Does the member stand by his assertions? He should produce his evidence.

**STATE GOVERNMENT INSURANCE COMMISSION - WESTERN AUSTRALIAN
TREASURY CORPORATION**
Financial Provision - Discussions

178. Mr HASSELL to the Treasurer:

- (1) Have there been any recent discussions, formal or informal, concerning the provision of cash by or through State Treasury for the State Government Insurance Commission or the State Government Insurance Corporation?
- (2) Has the Treasurer or the Treasury engaged in recent discussions with the SGIC on the provision of cash to the corporation or the commission from -
 - (a) a Government body; or
 - (b) a non-Government source?

Mr PARKER replied:

(1)-(2)

I made reference last night in the House to the fact that the SGIC has reduced in the last financial period or in the last few months - I cannot recall the precise period - its external indebtedness from \$180 million odd to \$70 million. It has a very good facility for the \$70 million, which is a very worthwhile one in a range of ways. I said at the time that for a body with assets of more than \$1 billion, it has a very low borrowing ratio.

Some time ago - I cannot remember the precise time but it was not recently and it was before 30 June because it is disclosed in the annual report of the Western Australian Treasury Corporation - an amount of money was loaned by Treasury Corporation to the SGIC for cash flow purposes at that time. It is still well within the \$180 million I have mentioned and still on a prudential basis. To the best of my knowledge no other arrangement is in place or is being discussed relating to cash provisions for the SGIC. It is a very successful organisation, as I have frequently said, and of course like any other organisation it has needs for cash flow in periods which are not smooth, and in relation to cash flows from normal sources. There is nothing untoward in the SGIC's seeking cash from the Treasury Corporation or from anywhere else. It would be perfectly normal. To the best of my knowledge there have been no recent discussions between SGIC and Treasury, and certainly there has been none with me about the provision of additional facilities to the SGIC.

MOTOR VEHICLES - THIRD PARTY INSURANCE

State Comparison

179. Mr GRAHAM to the Treasurer:

Will the Treasurer say how the third person injury party insurance scheme in Western Australia compares with those in other States?

Mr PARKER replied:

I thank the member for some notice of this question which pertains to an earlier question asked by the member for Cottesloe. Western Australians pay the lowest premiums in Australia for third party insurance. Despite a 21 per cent increase in the inflation rate since 1986, there has been no increase in premiums during the same period.

I recall the member for Cottesloe telling the House that we could expect an imminent rise in third party premiums, because of the same concerns he outlined last year, earlier this year and recently in this House and which have also been outlined by the member for Avon. He said then it would be necessary to increase third party premiums. The truth is that the premiums have not been increased and there is no need to increase them. Unlike the time when the Liberal Party was in Government, the third party premium portfolio of the SGIC operates in surplus rather than in the red, and the SGIC has been very good in the management of that asset.

The Western Australian scheme provides unlimited common law cover and is fully funded. It has been achieved in part through the SGIC's good investment performance and its management practices.

**STATE GOVERNMENT INSURANCE COMMISSION - WESTERN AUSTRALIAN
TREASURY CORPORATION**

Financial Provision - Amount

180. Mr HASSELL to the Treasurer:

(1) With reference to the answer the Treasurer gave earlier, how much money was sought and obtained by the SGIC from the State - the Treasurer referred to June or an earlier date - for its cash requirements?

(2) Has that amount been repaid?

Mr PARKER replied:

(1)-(2)

That is not what I said at all. It is another example of the Opposition trying to mislead and to give a misleading impression to this House and the public. If the member for Cottesloe goes through the annual report of the Western Australian Treasury Corporation, he will find contained within that statement -

Mr MacKinnon: It has not been tabled.

Mr PARKER: I think it has been. I approved it for tabling the other day, and I do not know what has happened to it. It has gone from me for tabling.

Mr Hassell: I only want the answer.

Mr PARKER: The problem with the member for Cottesloe is that he turns the words around, tries to give a particular impression, and asks what it means.

Mr Hassell: I thought you said that.

Mr PARKER: I did not. If the member for Cottesloe goes through the Treasury Corporation's annual report, he will find in that report the amount the corporation has lent to a host of Government agencies, including the Fremantle Port Authority, the State Energy Commission, the Water Authority, and every statutory authority one can think of within Government, and others including some universities.

The Treasury Corporation exists so that State Government statutory authorities can obtain their funding requirements at a lesser cost than they

could on the commercial market or by individual borrowing. It has been very successful in that regard and one of the normal loans it has made - the magnitude of which can be ascertained from the annual report, as I indicated in answer to the earlier question, or a question can be put on notice - was to the SGIC. That still puts the SGIC in a very good position in terms of its gearing. In fact, it could be argued that it is so conservative that it is perhaps not obtaining the sort of return on assets it could obtain with a less conservative gearing ratio.

MOSMAN BAY TEAROOMS - OWNERS
Restaurant Development - Government Promise

181. Dr GALLOP to the Minister for Transport:

Has the Government ever promised the owners of the Mosman Bay Tearooms that it could be developed as a restaurant?

Mr PEARCE replied:

I thank the member for some notice of that question which has given me the opportunity to check the situation. The answer to the question is yes. The Government has given a promise to the owner that it could become a restaurant. The promise was not given by me, but by the Minister for Transport in the Liberal Government immediately preceding the 1983 State election. I am informed that the promise was given by the former Minister for Transport, Mr Cyril Rushton, the member for Dale, at an on-site meeting with the owners of the lease of the jetty and members of the Mosman Park Town Council, immediately preceding the 1983 election. Mr Rushton promised the owners that after the election - there would be no announcement prior to the election - approval would be given for a restaurant development.

The member for Cottesloe who has taken a lot of interest in this matter was a member of that Government. When he raised the matter in Parliament yesterday he made no reference to this fact. It could be that matters of that kind were not common knowledge among other members of the Cabinet and that although he was a Minister in that Government, he was not aware of the promise. When he rose yesterday to make those claims he could have been in no doubt about that earlier promise because I have been told that at a function at the Claremont Football Club last weekend, when that team celebrated an event which the Leader of the Opposition said it could not achieve, the matter of the Mosman Bay Tearooms was raised at the table and the member for Cottesloe was told in no uncertain terms -

Mr Hassell: I have been told that story lots of times.

Mr PEARCE: - by one of the owners of the tearooms that this promise had been given by the former Liberal Government. It is hypocritical in the extreme, not to say dishonest, for the member to speak on this issue in the way he did, knowing all the time that in moving to reach a compromise this Government was unconsciously and unknowingly fulfilling a promise given by one of his predecessors.

Several members interjected.

The SPEAKER: Order! I called the Leader of the House to order several times and he took his time. When I did finally call for order, the member for Cottesloe decided it was his turn to interject. Members know that I am a very nice, easy-going and pleasant person to get on with, but sometimes my tolerance gets stretched to the limit; and it is nearly at that point. I think that when I actually use the gavel, or have to use the gavel to get attention, that is when members on both sides of the House ought to take some notice.

MINES DEPARTMENT - SAFETY STANDARDS

Trades and Labor Council - Obsolete Figures

182. Dr TURNBULL to the Minister for Mines:

- (1) Is the Minister aware that the figures used by the Trades and Labor Council to support its attack on the Department of Mines' supervision of safety standards in the Western Australian mining industry are up to eight years out of date, and are in many cases figures for the whole of Australia rather than Western Australia and, therefore, misrepresent the current situation with regard to safety in the mining industry in Western Australia?
- (2) Will the Minister provide the Trades and Labor Council with up to date figures which apply to Western Australia only so that the TLC no longer has to misinform its members?
- (3) Will the Minister request his department to make public the figures which have been collected by the Western Australian Department of Mines, and correctly portray the current situation in Western Australia with regard to safety in the mining industry?

Mr CARR replied:

(1)-(3)

I am not aware whether the TLC figures are up to eight years old. In respect of the obtaining of accurate figures, these figures are available from the Department of Mines. They have been published in the department's annual reports, and are in that sense publicly and widely known figures.

EMPLOYMENT AND TRAINING - UNEMPLOYED PEOPLE

Small Business - Government Assistance Schemes

183. Mr LEAHY to the Minister for Employment and Training:

What is the State Government doing about helping unemployed people into small business, and how successful have these initiatives been?

Mr TROY replied:

I thank the member for some notice of the question. The Government introduced the New Enterprise Scheme in 1984. That scheme was an innovative and inexpensive response from the Government to the very real problems faced by unemployed people in setting up enterprises, who had good ideas, but who lacked the start-up capital and requisite training. The New Enterprise Scheme assists unemployed people, who have a viable business idea, to set up their own business, and in fact provides business skills training, access to bank finance, an enterprise allowance, and continuing support.

The scheme was launched in 1984, and the Commonwealth Government joined that scheme in 1985, recognising its worth. The total number of new businesses created to date since the scheme began is 299, and these businesses now employ a total of 496 people, of which 445 were previously unemployed. So it has certainly been successful in that area.

The second aspect, which is also very important, is that an additional 2 336 people have attended the business development workshops which have been conducted. There are some other very interesting statistics which underline the success of this scheme. The rate of business failure under the scheme has been very low, at 5.8 per cent after the first year; certainly it has been substantially more in the second year at 31 per cent, but in comparison with the normal business start-ups, the five per cent compares with the normal 30 per cent of failures in the first year, and the 31 per cent compares with the usual second year failures of 47.5 per cent; that is after two years of operation. So it is clear that the New Enterprise Scheme has been very successful in reducing the rate of business failure while at the same time assisting the unemployed in viable business ventures.

"EVENING STAR" VESSEL - MARINE AND HARBOURS DEPARTMENT
Condemnation

184. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister advise whether the Department of Marine and Harbours has condemned *The Evening Star*, the vessel used to provide sail training and maritime educational programs for school students in Western Australia?
- (2) For how long have these problems been associated with this vessel?
- (3) Have students been using this vessel while it has been in an unsafe condition?

Dr LAWRENCE replied:

(1)-(3)

I am not aware of this matter. The member should have addressed the question as to whether the vessel has been condemned to the Minister responsible. No communication of that kind has been made to my office that I am aware of, and if the conditions are unsafe - and the vast number of letters that I have received from students and parents alike about the success of the program would tend to suggest that it is not - I would be the first to act upon it. I would not for one moment continue to operate that vessel if there were indications that it was unsafe.

Mr Peter Dowding: What an outrageous way to ask the question!

The SPEAKER: The Premier pre-empted me. I was trying to decide whether to make a statement about this question. I have endeavoured on a number of occasions to ask members on both sides of the House, during question time, to phrase their questions in a manner acceptable to the House. I do not want to tell members how to phrase questions, but it is not acceptable to make assertions in questions, claim them as statements of fact, and then have somebody in the House answer as to whether or not they are facts. That is an improper way to ask questions, and I ask members to be very careful. I do not want to have to stand up too often and rule questions out of order, but I am telling all members that a lot of questions have been asked lately which have been entirely out of order.

CONSUMER AFFAIRS - LEGISLATION BREACHES
Country Offending Parties - Claimants, Shortage of Funds Letters

185. Mr FRED TUBBY to the Minister for Consumer Affairs:

- (1) Further to the Minister's response to question 744 of 7 September 1989 and question 839 of 19 September, and for which an answer was finally given today, can the Minister explain why letters claiming a shortage of funds to pursue investigations into companies situated in the country were sent to complainants?
- (2) Can the Minister now give a firm assurance that a full investigation will take place into an alleged breach of the Finance Brokers Act by Ghirardi Holdings, trading as Goldmark Financial Group, in Kalgoorlie?

Mrs HENDERSON replied:

(1)-(2)

The member for Roleystone has had a response to that question in writing. That response has set out quite clearly why the two letters to which he referred in this House were sent, and the circumstances surrounding them. That response explains what the outcome of the complaints in Kalgoorlie will be. If the member is unhappy with that, I will be happy to take up the matter with him.

MOTOR VEHICLES - NON-FAMILY VEHICLE LICENCE FEES
Increase - Budget, Revenue Decrease

186. Mr HOUSE to the Minister for Transport:

- (1) Given that the Government has introduced a seven per cent increase in non-family vehicle licence fees from 1 October 1989, can the Government

explain why the Budget papers show a reduction of \$1 069 723 in revenue from this source for the financial year 1989-90?

- (2) Is it correct that money from this source has gone into funding the family package \$20 concession estimated at \$6 770 000 for 1989-90?
- (3) Will the Government give a commitment that the allocation to roads from the combined fuel tax-vehicle registration source will be maintained in real terms?

Mr PEARCE replied:

- (1) I thank the member for some brief notice of this question, but it was extremely brief, and in the time available, because I was sitting in my seat, I have not been able to check the figures. The position is that the Government has introduced a seven per cent increase in non-family vehicle licence fees, and at the same time has reduced the fee for family vehicles by \$20. I guess what the member means is that when one takes together the combination of vehicle licence fees, we have \$1 million less for the current financial year. That is right, and that is what one would expect, because where we have an increase and reduction, and where the reduction is greater than the increase, we will have less money. Under the terms of the regulation, all that money has to be allocated to roads, as the member knows.
- (2) No, because what we have done is vary the terms of the charges in two ways, and the net result is a total which goes into the Budget. The family package \$20 concession will cost much more than \$1 million.

Mr House: So is it correct to say that some of the money which has been raised by the extra tax on fuel has been used to balance that amount of money?

Mr PEARCE: No, not at all. That is the point I am making. The member is trying to simplify elements that make up the transport trust fund and road funding. The member is concentrating on two bits of it. The fact is that we are dedicating, as we always have, all of the vehicle licence fees to roads. As a result of the discussions that we have had, as a result of the National Party's demand - and one could be so unkind as to say blackmail - in the upper House, we have agreed to dedicate all of the 1.5¢ extra fuel levy to roads.

The SPEAKER: Order! I do not think the Minister should be talking about blackmail in other places.

Mr PEARCE: Okay, undue influence in another place. It is undue, too, and it has been undue for almost 100 years now. All of that will be dedicated to roads. In addition to both of those sources, additional funds have gone from other sources into the transport trust fund to increase the amount of money made available for roads in real terms.

- (3) The Government will not give such a commitment, for this reason: Although the increase in vehicle licence fees will be maintained in real terms - because they will increase by 0.1 per cent below the inflation rate each year in accordance with the Premier's commitment it is not proposed at present to increase the 1.5¢ per litre levy. So next year the 1.5¢ per litre levy will be less in real terms as a levy because it will not increase, while inflation will increase. It is not proposed to make it 1.6¢ to allow for inflation.

However, one would expect that because of our economic activity and level of growth the extra money raised from that 1.5¢ levy would in fact make sure that we are able to maintain the expenditure on roads in real terms, and that is the aspect on which the member should concentrate. The Government does have a commitment to maintain the level of expenditure on roads in real terms and we will continue to fund that by the sources that are available to us through the transport trust fund. That really does meet each of the propositions that the National Party put to the Government in respect of the 1.5¢ levy.
