Legislative Council

Tuesday, 1 December 1987

THE PRESIDENT (Hon Clive Griffiths) took the Chair at 2.30 pm, and read prayers.

PARLIAMENT HOUSE

Military Exercise

THE PRESIDENT: Honourable members, I advise that on Wednesday, 2 December 1987, between 9.00 am and 1.00 pm, the SAS Regiment, in conjunction with the tactical response group of the Police Department, will be conducting a discussion exercise in Parliament House. Approximately 30 people will be involved in the exercise and will be dressed in civilian clothing. No weapons, ammunition, explosives, or pyrotechnics will be carried.

BILLS (6): ASSENT

Message from the Governor received and read notifying assent to the following Bills --

1. Acts Amendment and Repeal (Gaming) Bill.
2. Acts Amendment (Arts Representation) Bill.
3. Electoral Distribution (Rottnest Island) Amendment Bill.
4. Acts Amendment (Financial provisions of regulatory bodies) Bill.
5. Betting Control Amendment Bill (No 2).
6. Factories and Shops Amendment Bill.

STANDING COMMITTEE ON GOVERNMENT AGENCIES

Report: Tabling

HON MARK NEVILL (South East) [2.35 pm]: I am directed to present a report by the Standing Committee on Government Agencies entitled, "Government Agencies in Western Australia". This is the third edition of this report, which was previously published in 1983 and 1985. The report lists all the statutory authorities in Western Australia and includes such details as their addresses, functions, and whether they are subject to the Financial Administration and Audit Act and the Ombudsman. The demand encountered for previous editions of this report has clearly demonstrated the need for such a document. It is the only comprehensive list of statutory authorities produced in this State, and as such I commend it to members as a very useful reference document.

I take this opportunity to advise the House that the committee has resolved to commence an inquiry into the need for plain English in Government documents. Any input from members into this inquiry would be most welcome.

I move --

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

Question put and passed.

(See paper No 531.)

RETAIL TRADING HOURS BILL

Second Reading

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [2.36 pm]: I move --

That the Bill be now read a second time.

The object of this Bill is to provide for the establishment of a stable and equitable retailing environment free of the anomalies and absurdities that currently prevail under the present

legislation. Preparation of this Bill culminates four years of intensive investigation and consultation with the retailing community, participating unions, and consumers. As circumstance would have it, the extended trading experience of the America's Cup additionally contributed to the formulation of the Bill.

On assuming office in 1983, it was clearly evident to this Government that the trading provisions within the Factories and Shops Act required urgent review. Complaints relating to the trading hours available, weekend markets, the various classes of shops, and the types of goods which could be sold by exempted and small shops were received by the Government on a daily basis. As a result, in December 1983, the Government appointed Mr E.R. Kelly, AM, at that time the Chief Commissioner of the Western Australian Industrial Relations Commission, to undertake a wide-ranging inquiry into the retailing industry in Western Australia.

The inquiry reviewed 580 written submissions, received 71 oral presentations, visited 29 non-metropolitan cities and towns, and completed on-site discussion and assessment of parallel trends and developments nationally and internationally. The final report of the inquiry was presented to Parliament in June 1986.

The inquiry recommended partial deregulation of the industry to permit Saturday afternoon trading from December 1986, to be followed by effective total deregulation in December 1989 and repeal of all legislative provisions in 1993. The inquiry additionally highlighted the confusion, apprehension, and dissatisfaction within retailing and consumer communities with the limited range of goods permitted to be sold by shops which could trade beyond normal hours. The Government endorsed the findings of the inquiry regarding the absurd conditions that apply to exempted and small businesses trading beyond normal hours. Initially, however, the Government could not endorse the recommendation to allow all shops to trade on Saturday afternoons. That position was clearly reflected in the Bill presented to the Legislative Assembly in May this year.

As a consequence of the almost universal opposition to the intent of that Bill the Minister for Labour, Productivity and Employment withheld further passage, pending a total review by a broadly based consultative committee representing retailing organisations, consumers, and the trade union movement. The concerns clearly expressed by that authoritative group provided the basis for the amendments to the Bill which was recently re-presented and passed in the lower House. The refined Bill emphasises the significant position of small businesses and provides exclusive Sunday and after hours trading rights in less restrictive circumstances for that segment of the retailing industry, supported where necessary by a class of special shops.

A small shop is to consist of a single-interest business comprising not more than two proprietors. Currently, a part of the definition of a small shop includes a restriction of only two people, including one of the proprietors, serving in the shop at the same time. As a consequence of this restriction, small retailers have consistently complained that they have been impaired in the development of their business. This Bill provides that up to four people, including one proprietor, may serve at the same time, thereby providing scope for growth.

It is proposed that a small shop should operate between the hours of 6.00 am and 11.30 pm each day, which reflects the current hours prescribed in the Factories and Shops Act. The range of goods to be sold under small shop conditions will be prescribed by regulations on the recommendation of the advisory committee. These operations will be supported by provisions within the Bill which establish, by regulation, a range of special retail shops. Those shops will complement the role of small retail shops by providing seven-day consumer access to specific ranges of essential goods and services. Pharmacies, nurseries, hardware and souvenir shops, for example, will fall within those provisions. It is proposed that these shops will also have access to trading hours between 6.00 am and 11.30 pm.

In respect of general trading hour conditions the demands of contemporary lifestyles have been recognised and the consumer community will have access to all shops to 5.00 pm on Saturdays. This represents an increase of four extra hours per week. Localities beyond the metropolitan area will have the option to accept or reject the extra general trading hours provided by the Bill. Local Government authorities in each locality may apply to the responsible Minister to have Saturday trading in their area of influence terminated at 1.00 pm instead of 5.00 pm.

Specialist industries are afforded similar flexibility for self-determination in regard to Saturday afternoon trading. During the America's Cup the motor vehicle industry demonstrated a reluctance to participate in the extra hours. The exemption provisions will accommodate circumstances of this kind.

It is recognised that some established exempted traders may not fulfil the criteria for seven-day trading to be established by this Bill. Those traders will be entitled to a transferable permit which guarantees continuation of those established operations for so long as they are conducted in the manner that was prescribed and prevailed prior to the coming into operation of this Bill.

The Bill proposes no adjustment to the conditions that apply to the retailing of motor fuel. In metropolitan and major regional areas fuel will be available during prescribed hours from all outlets and beyond those hours under roster conditions. In all other areas retailing of motor fuel is unrestricted.

The Bill provides legislative protection for retailers from the possible detrimental effects of lease or tenancy agreements in circumstances where individual retailers choose not to avail themselves of all of the approved trading hours provided. The Bill expands and clearly defines the duties of an industry and community-based committee of review tasked with advising the responsible Minister and the permanent head on trends and developments within the retailing industry. Significant discretionary powers for exemption will be vested with the responsible Minister ensuring flexibility and timely response to future developments or circumstances. With the evolution of time, the value of penalties once considered appropriate for breaches of trading regulations have been eroded to the degree that they presently represent merely a minor additional operating cost for the privilege of attracting an exclusive clientele during hours when direct law-abiding competitors are inactive.

The penalties proposed within this Bill are appropriate to the times and clearly identify the importance with which the Government views continued breaches of the legislation. The Bill sets maximum penalties for first, second and third offences. In circumstances of continued breach within two years of conviction for a third offence a maximum penalty not less than $25 000 shall apply.

The Bill provides for the appointment of officers necessary for the administration of the Act. These officers are to be appointed subject to the Public Service Act. It is intended for the current inspectorate, five in total, to be reappointed for the purposes of this legislation. The Bill will apply to all retailing premises located south of the 26th parallel of south latitude.

I commend the Bill to the House.

Debate adjourned, on motion by Hon. G.E. Masters (Leader of the Opposition).

ACTS AMENDMENT (RETAIL TRADING HOURS) BILL

Second Reading

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [2.45 pm]: I move --

> That the Bill be now read a second time.

The Bill is a consequence of the Retail Trading Hours Act 1987. It will repeal those provisions in the Factories and Shops Act 1963, which are covered by the Retail Trading Act 1987, relating to --

> the retail trading hours of all categories of shops including filling stations;
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> the goods which may be sold by various categories of shops;
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> the sale of goods by auction; and
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> the appointment and operation of the Retail Trade Advisory and Control Committee and the Holiday Resorts Advisory Committee.

This action is a step in the progressive repeal of the Factories and Shops Act in accordance with Government policy. The Bill also provides for the Retail Shops Advisory Committee established under the Retail Trading Hours Bill to be subject to the Parliamentary Commissioner Act 1971 and the Constitution Acts Amendment Act 1899.

I commend the Bill to the House.

Debate adjourned, on motion by Hon N.F. Moore.

IRON ORE (CLEVELAND-CLIFFS) AGREEMENT AMENDMENT BILL

Second Reading

Debate resumed from 25 November.

HON N.F. MOORE (Lower North) [2.47 pm]: This Bill seeks to ratify the amendment to the agreement between the State and Robe River Iron Associates. The agreement was made on 26 June this year, and as members know, it is necessary for the Parliament to ratify any changes made to the agreement between the Government and the companies involved. The first thing of note is the change of name to Robe River Iron Associates, and that is one of the main amendments to the agreement. That was brought about by the change of ownership of the company in the Pilbara.

The main purpose of the Bill is to rearrange the way in which the mining operation is carried out by Robe River from the point of view of the ownership of the ore reserves. Robe River's current mining operations at Deepdale are carried out on a sublease arrangement from BHP, and the mining of that ore is subject to other agreements such as the Dampier 1969 and the BHP 1964 agreements. The mining operations are the subject of the Iron Ore (Cleveland-Cliffs) Agreement of 1964.

Several agreements between the mining companies and the State are involved in respect of the one mining operation. It is the intention of the Government -- and that is the reason for this Bill -- to seek to have BHP move out of the area and provide to Robe ownership of the mining operations and the reserves which were being subleased from BHP.

The Bill also changes the situation with respect to royalties, and reflects the decision by Robe not to continue to operate its pellet plant at Cape Lambert. The original agreements provided that because of the pellet plant operation, certain advantages would be provided to the company with respect to royalties. Because the plant no longer operates, the Government has removed the benefits which were conferred upon the company, so this has meant an extra $4.5 million in royalties is payable by Robe to the Government.

The Bill, as the second reading speech tells us, modernises the environmental and local content clauses. This seems to be part of the Government's attitude towards developments of this sort, where a greater emphasis seems to be put on environmental matters and local content purchases. The Bill also reflects the sale of certain pellet plant components to China, which is a deal between the company and the Chinese. There are some areas of concern to the company, but in view of the need to rationalise its operations, it is prepared to go along with the changes to the agreement, and there is no reason as far as the Opposition is concerned why Parliament should not ratify those changes. We support the Bill.

HON TOM HELM (North) [2.51 pm]: I obviously support these amendments to the Bill, and I think it is appropriate that members should be reminded of the events leading up to these amendments. In early 1986, Peko-Wallsend gained a 50.9 per cent controlling interest in Cleveland-Cliffs, and that was the beginning of a radical change.

Hon E.J. Charlton: A turning point for the best.

Hon TOM HELM: Yes, a radical change for the mining of iron ore in the Pilbara. It was not a change which came as a surprise. In fact, a close friend of mine, who was the convener for the Metal Workers Union at Pannawonica, told me around June 1986 that Peko-Wallsend had asked if it could be invited to the negotiations that were being concluded into changes to the award. Those changes were about 12 months overdue. This friend of mine, a man called Neil Flynn, asked representatives from Peko-Wallsend what changes the company wished to achieve, recognising that the life span of the mine had gone from approximately five years to 25 years. I think that is a reflection of the ability of the conveners and the work force to recognise the changing circumstances of the mine at Pannawonica and a recognition that the leases that were owned by BHP would be given over totally to the company for it to exploit as it wanted.

So the life span of the mine had been extended, and therefore there were certain wages and

conditions which would have to be addressed. A change in the company's attitude was expected, particularly as we knew from Peko-Wallsend's exploits at King Island in Bass Strait and various other enterprises that it was undertaking that it was not a company which was prepared -- at least on record -- to accept the conditions that were then in place because of the uncertainty of the life span of the mine at that time.

The workers were told that there would be no changes; Peko-Wallsend was not unhappy with the working arrangements that were taking place at that time and it did not see any radical changes taking place. So the deal went ahead with the managers who were employed by the company, and the new award was signed. Almost immediately after that, the four senior managers were given notice to quit the following day, and a notice went out to all the members of the work force to say that all the deals, agreements, and all the work practices that had applied before were no longer relevant.

The unions had suspected that something like this would happen, and they made application to the Industrial Relations Commission to have the status quo retained so that they could sit down with the company and talk about things. One has to remember that it was widely advertised in the newspapers that Peko-Wallsend had said there were 200 various work practices that were seriously reducing the ability of the mine to make a profit and operate efficiently. The unions applied to the Industrial Relations Commission and they were granted a retention of the status quo so that there would be no industrial disputes and there would be no radical changes to the work practices at that site. However, Peko-Wallsend took no notice of the Industrial Relations Commission's ruling and acted as if it was a power unto itself, and just pursued its push towards changing the current work practices radically. Not only did the company fail to describe any of the practices that went on in the other iron ore mines; it also decided to bring an end to --

Hon P.H. Lockyer: They had three flavours of ice-cream for lunch.

Hon TOM HELM: I understand that there were more than three flavours of ice-cream.

Hon E.J. Charlton: And a doggy bag.

Hon TOM HELM: Yes. All of those things that have been explained to me by my friends on the other side had to stop. One of the radical changes the company was asking for was that people who lived at Pannawonica and who sent their children to school at Pannawonica could be transferred at one week's notice to Wickham; and the people who lived at Wickham could be transferred at one week's notice to Pannawonica. So the whole way of life of those people, which had been built up for in excess of 10 years, could be changed. A husband could be told to move from Pannawonica to Wickham, which is 300 miles away. One cannot catch a train or plane; there is no transportation that can be easily used to get from Wickham to Pannawonica so that one can spend the night with one's wife and family. Yet that was what the company was asking for.

The PRESIDENT: Order! There is too much audible conversation in the Chamber while the honourable member is addressing the Chair.

Hon TOM HELM: What the unions were asking for was for the situation to be allowed to cool down so that the people in the Pilbara -- not just those who worked for Cleveland-Cliffs, but also those who worked for other iron ore companies -- could take a closer look at the situation and do what was desired by the commission, which was to retain the status quo and have nobody being unfairly treated and have no industrial disputation taking place. The application which was made to the Industrial Relations Commission to have the status quo retained was granted. However, the company decided not to take any notice of that and to still threaten with the sack workers who would not transfer on a week's notice. There was a long list of people who were sacked by Peko-Wallsend at that time and who were reinstated by the commission because in the commission's view they had been sacked unfairly.

The Industrial Relations Commission sat until the middle of 1986, and then in December 1986 the work force at Cleveland-Cliffs went on strike for a while. I should make it clear that the strike action in December was taken against the advice of the State union officials. A number of mass meetings were held across the Pilbara, which is my constituency, and I was aware that the feeling of the workers in the other iron ore mines was that the issue had to be addressed in the traditional manner, which was for everybody to go out the gate. Little regard has been paid to those State union officials, shop stewards, and conveners who

restrained the work force from taking that action because it seemed to those people -- and I have to admit that I was not necessarily one of them, although in hindsight I have since been converted -- that the union movement was being led down the path of taking on the company in the traditional way. It was only by the foresight of the State officials of the union that this was prevented from happening and the commission was allowed to do its job, which was to arbitrate between the two. To this day Peko-Wallsend still has not publicised the 200 points, whether they were the three flavours of ice-cream or the doggy bag, or whatever they were, that were restricting its ability to make money.

The company is making money. It published in 1986 a record profit of 84 per cent up on the previous year's income. There is an inability on our part to get to the bottom of the items published in the newspaper. One of the things members opposite never seem to grasp is that Peko-Wallsend has never put before the commission any specific item that needs to be addressed in terms of giving managerial prerogative and the ability to exploit that mine to the fullest extent. It is the end of 1987 and that still has not happened.

Nonetheless, the 200 issues put forward have still not been addressed. We are well aware that in December 1986 there was a strike at Pannawonica and Wickham. After two or three weeks, there was intervention by Mr Simon Crean of the Australian Council of Trade Unions, Mr Gordon Freeman of Mt Newman Mining Co, and Jack Marks, along with Charles Copeman; and the return to work came about. We have read in the paper that productivity is up at Robe River, accidents are down, and safety levels are high, and everything is sweetness and light. I can assure the House that I have friends in those two towns and that is not the situation. Everything is not sweetness and light by a long chalk. Those two towns would be the most settled towns in the Pilbara because of the interaction between the staff employees and the wages employees which took place. There was a great deal of social interaction; they recognised the locations of the towns, the type of work we did, and indeed there was a recognition across the Pilbara that one's work is one's life. One cannot get away from iron ore if the people who live next door to one work in the enterprise. It is a topic of conversation from which one cannot break away.

Cliffs-Robe River recognised that and from the first encouraged staff and wages employees to get on together. Now the situation is different, particularly in Pannawonica. The staff employees drink in the pub and the wages employees drink in the club, and never the twain shall meet. There is a terrible atmosphere. The worst thing about it is that there is a suggestion that any union activities and any unionists there are inactive and there is no union push or support. I have met with groups of people, and the sickening part about that is it had to be done secretly because of the danger that people could be victimised. They are victimised, which I will explain to the House in a moment. We have seen in the paper that productivity is up; we are led to believe that everything is sweetness and light --

Hon E.J. Charlton: Is productivity up?

Hon TOM HELM: Yes, it is. If that is the guideline we are to work on, everything is great. I think Senator John Stone, the newly elected National Party Senator, said in effect, "The happiest work force is the quietest work force." Senator Stone, of course, used to be the apolitical Secretary to the Treasury; he is now a political animal. He used the yardstick that productivity is an example to go by and indicated that everything is sweetness and light. In that case, in Robe River, it has to be great. Under that criterion, one could say that conditions on the Burma Railway were good because there was not much going on there either.

That is not the yardstick one has to go by. The other side of the coin is that we are also told that in the last 12 months -- in 1985-86; before Peko took over -- there were 71 lost time accidents; in 1986-87, under Peko, there were seven. I would say that is a good yardstick of a productive work force. If one studies the figures, however, one finds that how they were reached is misleading. If Tom Helm, the rigger, gets the top of his finger ripped off at work using the crane, knocks off at 2.00 pm or 3.00 pm that day, goes to the hospital, gets his finger stitched up, he will return to the office to shuffle paper around the place. Actually, he has not lost any time; he may have gone home an hour or two earlier from the shift, but that is not counted until the shift is lost. If one looks at the series of accidents from which people can be sent back to work to sit on a stool, that gives one figures that look pretty promising. However, the reality is far from it.

We cannot get to the truth because the people who are prepared to speak out and who can see what is wrong and want to address the problems that exist in those towns are victimised. Those towns did not get the way they are now by accident; people had to be concerned and worried. The company has two ways of victimising people.

Hon E.J. Charlton: They must have learnt that from the unions. If you speak out, over the top you go.

Hon TOM HELM: We never had any need for the "A-Team" or the "Grot Squad", which are composed of people who are prepared to get the towns back the way they were. An example of what can happen if one is put into the "A-Team" or the "Grot Squad" is that somebody who is a rigger or a train driver, or whatever, can be transferred, with a week's notice, to the "Grot Squad". The commission has stopped the transfer of people from one town to another, but one can be transferred from one job to another. If one is a train driver, one can be sent to pick up litter around the school grounds, or sweep the streets. Those towns are not under shire rules; they are company towns. The company has that ability. One could imagine a situation if one had children at school, talking about their father who was a fitter or a train driver and there he is picking up litter in the street. A famous example of that is the canteen lady who was given a banjo, told to go out in the yard, and to start clearing it with a shovel. That was a prime example. That sort of thing is still going on today even though it is claimed that everything in those towns is all right.

From the outset of my speech I have been trying to get the House to understand that the union movement was aware that changes were to take place. They had to take place because the mine's life had become longer --

Hon P.H. Lockyer: They might have killed the golden goose.

Hon TOM HELM: It was not a matter of killing it. The golden goose will die in five years, but it could go on for another 20 years. The golden goose will stay a little longer.

Everybody knew changes would take place. The thing which upset most people, and me particularly, is the fact that those changes did not come about in the way everybody on the union side had discussed. If one looks at the Pilbara today, one sees massive changes taking place in Hamersley Iron and Mt Newman Mining Co; yet the way those companies are approaching the changes is by talking to everybody -- not necessarily just State officials of the unions, but the blokes and the women who are doing the job on site, the people who work on the benches. We have a recognition of our competitors in India and Brazil, and a recognition by all concerned that the demarcation, the changes, and the way we have to address our economic problems across the Pilbara can be addressed in an easier, quieter, and better manner than they are at present.

We have the examples there. Peko-Wallsend had no regard for the effects its actions would have on the social structure of those two towns; it had no regard for the effects on people who, should the mine last 20 years, gave lifetime commitments to their towns. They have sent their children to schools there; they expect that their children, if they wish, could work in the office at the mine or get apprenticeships at the mine. There is a future not just for them but for their children as well. However, that was totally disregarded. He went in with a sledgehammer and did what he thought was necessary in a cruel way. The "Joh for PM" campaign really helped us because it emphasised the problems in the Pilbara. It indicated that Peko-Wallsend had no regard at all for its work force or for the effects its attitude was having on the local communities. The State Government has now introduced this agreement amendment Bill to allow certain actions to take place and also because it recognised, during that dispute, that it had to do something in the public interest to highlight the things Peko-Wallsend was doing in the Pilbara and the effect that was having on industrial relations in those two towns because of what the company said industrial disputation was doing to iron ore exports to Japan. Until that time, I believe the unions and the employers had worked together. We had successfully convinced the Japanese that we were reliable suppliers of iron ore. Our prices were competitive in American dollars because the American dollar was dropping in value. We could also guarantee supply. Industrial disputation in the Pilbara had decreased dramatically.

In 1986 we first smelt a rat; and Lerrat was the bloke that Peko-Wallsend brought into the area. He lived in Sydney and knew nothing about what went on there. Like everyone, I was

disturbed about what was happening and gave him a ring. I told him I wanted to talk to him and work out his and our objectives. He said that we did not need to do that; he said he did not see that what Peko was doing was any of my business or the business of any of the people who lived in the two towns that the company ran. I could not understand that until, at the end of the conversation, he explained that he lived in Sydney and that he had come to the Pilbara for a week or a fortnight and then returned to Sydney. Most of the people who make the decisions for the work force in the Pilbara spend a week or a fortnight there and seem to have all the answers. Once they have done the damage, they either return to Perth or to the East and we never see them again. We have never seen this guy again either. Nevertheless, he put in place the things that the company wanted put in place.

At that time, the Government pointed out that Peko-Wallsend's actions were not in the public interest. If the issues are about continuity of supply and no industrial action, I do not know what the work force is supposed to do to guarantee the customers their deliveries of iron ore if somebody arrives up there acting like this bloke acted. One tends to become suspicious, and the truth only comes out after the event. It is only when things are laid down in front of us that we can look back and understand what happened. Obviously, Charles Copeman, as part of this new right push, wanted to destroy the Industrial Relations Commission. He did not see any place for it and has been proved wrong. However, he did a lot of damage in trying to prove it. Even with all that occurring, Peko-Wallsend has not destroyed, and I doubt whether it could ever destroy, the attitude of people in those towns. However, it is asking the work force to sign a contract of employment. Liberal Party members have been touting all over the place the fact that people should be allowed to sign these sorts of agreements freely, and not be members of unions or parties to awards. They ask the workers to trust them and then give them something like this contract of employment to sign. It is entitled "Robe River Iron Associates conditions of employment for wages employees". The form is not available for everybody to sign, only for wages staff.

The workers accept a number of unwritten conditions that apply at the work site. For instance, if workers get into fights on the site, they are finished. They have no appeal provisions. They are not allowed to fight on mine sites because of the sort of equipment that they have to operate.

Hon E.J. Charlton: What about the injuries and the accidents fights cause?

Hon TOM HELM: A worker cannot be sacked for having an accident, although he might working for Peko-Wallsend!

They are also not allowed to take liquor on to the mine site or to be drunk on the job. That is accepted across all mine sites. Paragraph 2.4 of the contract of employment states --

> The Company reserves the right to transfer an employee from one site to another, or from one work location to another, on provision to the employee of one (1) week's notice.

There is a difference between Pannawonica and Wickham. Even though the Government has now sealed the road between the North West Coastal Highway and Pannawonica, one can imagine what would happen if a worker was transferred with only one week's notice. This is the sort of thing the company wants workers to sign when they are not bound by any awards or nasty work provisions. Paragraph 7.1 states --

> Employees of the Company may be required to work a reasonable amount of overtime at such times and in such a manner as the Company shall in it's sole discretion determine to meet the operational requirements of the Company.

If the work force is of a decent size, that is not a bad proposition. However, when the work force is cut in half, only half as many people are available to call on to do the work. A work force with 10 people to do 10 people's jobs is okay. If a job requires 15 people to do a job and only 10 are available, five are required to work overtime, and they can alternate. However, if there are only five people to do 15 people's jobs, workers are not asked to work, but are expected to work up to 24 hours a day, and that is when accidents happen. Members must be aware of the type of machinery these people are required to work with. If workers are required to work overtime, they become very tired, and with electrical cutouts and conveyors that are kilometres long, accidents are bound to happen. Surely that should not be our aim. Nobody should be asked to work overtime if they do not need to or do not want to.

Hon P.H. Lockyer: What has this to do with the Bill? How does it relate to the Bill?

Hon TOM HELM: These are the work practices that Peko-Wallsend expects its workers to work under. For the Government to sell the pellet plant to China and to deal with the BHP leases, it needed to introduce this legislation. Peko-Wallsend has been a part of the whole package. That is what it has to do with the Bill.

Hon P.H. Lockyer: No wonder they were pleased to get you in here.

Hon TOM HELM: It is the member's party that is asking the workers to sign these contracts of employment. It is asking the people to assist it in getting rid of awards and the Industrial Relations Commission. Paragraph 9.2 states --

> An employee shall upon notice be required by the Company to perform work of a higher or lower classification.

It is a fair assumption that workers can do work of a lower classification than he is being paid for -- digging holes for example. However, how can they ask me, a rigger, to drive a train? According to this document, the company can do that.

Hon P.H. Lockyer: It will train you.

Hon TOM HELM: It does not say that. The paragraph is only two lines long.

Hon P.H. Lockyer: Your commonsense would tell you that.

Hon TOM HELM: I am trying to explain to this House where commonsense flew out of the window. If that kind of deal was done in Kwinana there would be a siege outside this House. People would be marching up and down, and Hon Phil Lockyer would probably be among them. They would be saying that the State Government should do something about it. Peko-Wallsend is 1 000 miles away. Members must understand that these towns have a social thing; Hon Phil Lockyer has been there and he should know.

Hon P.H. Lockyer: I am surprised.

Hon TOM HELM: The member is surprised.

Hon P.H. Lockyer: Shouldn't the person who pays the wages have a say?

Hon TOM HELM: The whole reason we have an Iron Ore Consultative Council in place is so that the bloke who pays the wages can sit down with the bloke who earns them, and they can sort out their differences. We can continue to supply the Japanese with the iron ore they require when they require it -- that is the bottom line. However, to do that we must give the bloke who is earning the wages, as well as the person paying them, the ability to lay his problems on the table and discuss them.

When we talk about water conservation, job continuity, getting rid of demarcation disputes, job security -- all of those issues are to do not only with wages in one's pocket, but also with one's children; and as the Hamersley Iron mine has a life of 100 years, I can include one's children's children as well. That is what everybody is concerned with.

I can remember the years between 1970 and 1980 when I could not receive a full fortnight's wages because I was on strike at least once every fortnight; and sometimes I did not know the reason I was on strike. The people who were in the area at that time were only there for two years to earn a quick buck and they left; all they wanted was the big money. Those days have gone, and have been gone for three or four years. Everyone recognises that those days have gone, except for Peko-Wallsend. It cannot recognise it. It seems to me that it takes the same attitude as the majority of the work force took in the 1970s. That does not happen any more.

With reference to the contract of employment -- members of the Opposition must understand that the company is asking its employees to agree to getting rid of the commission and award agreements. The contract states that the company shall declassify. Not only can a person have his job changed, but also the classification can be changed. Classification has to do with the amount of wages a person earns. I suppose a person has no problem if his wages increase, but he does if they decrease, because everyone has commitments. The company is asking its employees to sign this contract and if they do not, their services will no longer be required.

Most of the conditions contained in the contract are already in place, but some funny

conditions do pop up now and again. For example, the contract states that action will be taken by the company if an individual employee breaches his or her contract of employment by failing to report for work on time. I have no quarrel with that. It also states that an employee will have action taken against him if he fails to resume work after a work break, and again I have no quarrel with that. The contract also states that action will be taken against an employee if he performs below the required level of competence, fails to respond to lawful directives and/or does not abide by rules, or for general misconduct. If a person does not turn up for work, he does not get paid and he is sacked.

Several members interjected.

Hon TOM HELM: I would like members opposite to work for me. I do not know what the wages would be because I would change them week by week. However, if I said to my employee that he was sacked for general misconduct -- what would the general misconduct be? Would it be because he looked at me sideways? Are we in the Army?

Hon P.H. Lockyer: It is a lack of commonsense again.

Hon TOM HELM: There is no commonsense in this. I have read it as well as I can, and there is no commonsense involved.

Hon P.H. Lockyer: Do you want a list of proposed offences?

Hon TOM HELM: Is that what the member wants? All I want is for commonsense to prevail.

Hon P.H. Lockyer: A bloke like you would not last five minutes. Your misconduct would commence within the hour.

Hon TOM HELM: There is a difference between the way an Opposition member views misconduct and a Government member views misconduct. The company is asking employees to sign an agreement, and the rules can change so rapidly. The rules and standards can change.

Hon P.H. Lockyer: It says something about if it is considered disorderly.

Hon TOM HELM: It should be considered disorderly by everyone and not just by the foreman who wears a white hat.

Hon P.H. Lockyer: One person can determine. The person who sits in the Chair in this House can determine whether you are being disorderly.

Hon TOM HELM: As I understand our democracy, if we decide that we have no further confidence in the Chair, the Presiding Officer will resign.

Hon P.H. Lockyer: Because you do not know what you are talking about.

Hon TOM HELM: I would have to see it in black and white.

Hon P.H. Lockyer: It is the same; what is the difference?

Hon TOM HELM: It is not the same because the rules are not as clear or as detailed.

Hon P.H. Lockyer: Have you honestly read this?

Hon TOM HELM: Today?

Hon P.H. Lockyer: No, at all.

Hon TOM HELM: No.

Hon P.H. Lockyer: It stands out.

Hon TOM HELM: Has the member read this contract?

Hon P.H. Lockyer: No.

Hon TOM HELM: Well, at least we are the same.

The competence and general misconduct will be decided by one person, the foreman. That is the situation which will prevail. There will be no shop stewards or workshop representation, because he will be on the "A-Team", or down the track, or whatever. The foreman or the superintendent will decide what constitutes general misconduct.

Hon E.J. Charlton: Don't work there, go somewhere else.

Hon TOM HELM: The place is 1 000 miles from Perth, and a person just cannot pack his bags and leave. I thought the member was from the bush. A person may not move around the mine unless he has a pass.

Hon P.H. Lockyer: Can you bring a visitor?

Hon TOM HELM: No, a person cannot do that. I will not pursue that, because it is fair enough.

I will turn now to item 19, which is a beauty and which refers to remote community behaviour. It states --

> Residing in remote communities in the Pilbara, employees are expected to conform to a standard of behaviour in those communities which makes them suitable for employment.

Social behaviour has some bearing on a person's employment. There is no requirement for the employer to recognise how the job is placed.

Hon P.H. Lockyer: What about the houses he has built and all those types of things?

The DEPUTY PRESIDENT (Hon D.J. Wordsworth): Order! I think the member should address the Chair.

Hon TOM HELM: Mr Deputy President, you are perfectly right. It seems funny that a member representing the Gascoyne would think that the houses were provided by the company. They might have been built by the company, but they were paid for by the taxpayers of this State.

Hon P.H. Lockyer: That is nonsense.

Hon P.G. Pendal: You are making a fool of yourself now.

The DEPUTY PRESIDENT: Order!

Hon P.G. Pendal: It is nice to see some old-fashioned socialists.

The DEPUTY PRESIDENT: Order! Hon Phil Pendal will come to order.

Hon TOM HELM: Item 19.2 also deals with remote community behaviour and reads as follows --

> Employees may be considered unsuitable for employment due to non-conformity with accepted standards of behaviour which shall include but not be limited to --
>
> (a) Trafficking in drugs;

That is fair enough and I agree with it. It continues --

> (b) Malicious damage to property (whether Company property or otherwise); or
>
> (c) Threatening behaviour to persons in the community.

Hon E.J. Charlton: That is fair enough.

Hon TOM HELM: I suppose it is fair enough, but I have an example where a fellow in Wickham was threatened with the sack because his wife called a person who was a scab a scab. He got into trouble because of his wife's behaviour.

Hon E.J. Charlton: What about the scab -- did he want to work?

Hon TOM HELM: Yes, and he did work. There we have a good example. What would have happened if the employee's son or daughter did it -- would they have been sacked? It was alleged that when things got nasty in that town one staff employee had a bag of acid that he was prepared to throw in anyone's face if they called him a scab. At that time staff employees were asked to sign agreements that they would walk into wages employees' jobs.

Hon P.H. Lockyer: No-one condones that.

Hon TOM HELM: This document does.

Hon P.H. Lockyer: It is only the way people like you see things.

Hon TOM HELM: I am not making this up -- it happened. Two people from that

community will be arriving here before dinner and any member of the Opposition who does not believe what I have been saying can talk to them. I am reading something here that is in black and white and I am telling members that I am aware of what happened because it happened not far from where I live.

The last matter to which I refer is the best and relates to revision. It states that subject to a period of notice of one week the company reserved the right at its sole discretion to alter, amend or add to any of an employee's conditions of employment whether contained in the document or not and when it saw fit.

Hon P.H. Lockyer: The employer is paying the bill.

Hon TOM HELM: I suppose he is.

Hon P.H. Lockyer: If he doesn't pay wages the employee hasn't got a job -- can't you numbskulls see that?

Hon TOM HELM: An article appeared in the *Sunday Times* this weekend which I should have brought with me and in which it was reported that Peko-Wallsend's assets were wrongly valued. The bottom line to this is the ability of Peko-Wallsend to continue making money and to do business depending on the Government's ability to recognise its problems and allow the company to start mining that ore. That ore is there in the ground and is a licence to make money.

Hon E.J. Charlton: It is not a licence to make money at all; that is a stupid comment.

Hon TOM HELM: Can the member name an iron ore company that has lost money during any year? The Government had to amend the Act to give the company the ability to take iron ore out of the ground. If Charles Copeman, Herb Lerrat, and Ian McGregor from Peko-Wallsend could get the ore down from Pannawonica to a ship they would do so, but they had to employ ordinary people and pay them wages to do that. It has been suggested that those people have no rights, no say and no ability to influence how that is to happen; if that is so, we may as well give it away.

I support the Bill.

HON P.H. LOCKYER (Lower North) [3.35 pm]: This Bill seeks to alter the agreement between Cleveland-Cliffs and the State Government. As rationalisation is required throughout the iron ore industry, such Bills must be brought before the Parliament.

I will take up some of the points raised by the Hon Tom Helm, who just resumed his seat. It is unbelievable that he has tried to foist on this House some of the points that he has made this afternoon concerning the Peko-Wallsend strike of 1986. Without Charles Copeman and Peko-Wallsend shaking up the iron ore industry in 1986, goodness knows where that industry would be today. I am not saying that they were totally right in what they did, but there was a requirement to shake the mob up, as there was to shake up the leader of the union movement. These are people that the Hon Tom Helm has obviously represented somewhere along the line.

The rank and file worker, the ordinary unionist who goes to the north of Western Australia does so for one reason -- to make a better life for himself and to earn the money to do things that he is unable to elsewhere. No-one goes up into 120 degree heat with a water bag in the middle of the summer because they love that kind of life. It was irresponsible for union leaders -- and this is no disrespect to Mr Helm, who made some good points but was misled somewhere along the line -- to do what they did.

The reason why productivity is up today, and strikes are down, is thanks to people like Charles Copeman who had the guts to go to the workers. It was quite obvious that union leaders, particularly the militant ones, had over the years plastered the cream so thick on top of the cake that the cake was about to topple over -- sooner or later, someone had to take them on and that was left in the hands of a gentleman called Copeman, who made himself highly unpopular within the Industrial Relations Commission and with workers, and who frightened people who had been swinging the lead for a considerable time -- he brought sanity back into the industry.

My colleague, Hon Max Evans, has a list of some of the work practices used up there and he will outline them to the House in a moment. Many horrific practices used to exist. I make a

point that has been made by my colleague, Hon Eric Charlton, but was left out of the tirade just presented to this House; that is, the right of an employer to get on with the job. Hon Tom Helm said that there are millions of dollars in the ground waiting to be made. I do not believe that he was even in Australia when a former Premier, Sir Charles Court, led the massive job of setting up the iron ore industry in Western Australia. I wonder whether the member has any idea of the original Act introduced into this Parliament, or about the amount of infrastructure and money that was required to set up the iron ore industry in Western Australia, which today is a massive industry. Without that industry, I wonder where Western Australia would be today.

Nobody denies the right of people to go up there to try to make a dollar, and that is all that most decent men and women in Western Australia who go into the Pilbara to work in the iron ore industry want to do. I lived in Port Hedland for seven years where I saw the ordinary Joe Blow who wanted to make a dollar. It was the union leaders who called the strikes that they disliked, but they were terrified to go against those leaders because they knew what the penalty was for doing that. Those few people who took on the unions I am sorry to say paid the supreme penalty -- they were blacklisted and could not get a job. What Mr Copeman did was take the unionists on.

Hon Tom Helm: No, he did not.

Hon P.H. LOCKYER: Yes he did. He shook the union and the iron ore industry to their big toes.

Hon Tom Helm: And the commission.

Hon P.H. LOCKYER: Yes, and the commission, and that was not a bad thing. However, Mr Collier's comments, which appeared in today's paper, were a typical watering down of the situation and I do not agree with them. Everything is a compromise, but the poor bloke who pays the bill in the end, the shareholder, is in my view entitled to have a say.

It is absolutely wrong to say that the agreements made from time to time can be put in place without cooperation between worker and management, and no-one denies that. What rot we heard from Hon Tom Helm before he resumed his seat a minute ago when he said that unionists knew that things had to be moderated, the three flavours of ice cream and all those other horrific things were to be discussed, and that they would take cuts in those areas. Not a peep, in my view, was heard prior to Mr Copeman bringing the matter to the attention of the workers by saying that if they did not do something about these practices, the company would shut down the whole industry. That shook up not only the workers in Cliffs Robe River but also the whole industry. That is why the industry is so quiet today; good sense has prevailed because the ordinary Joe Blow has let his militant leaders know that he does not want to be part of it; all he wants to do is get on with his job.

In other industries, such as the pastoral or the farming industries, workers would not mind signing a document like the one the member referred to, because the ordinary worker wants to get on with his job. I put it to the member that there is nothing wrong with that document; it is a very reasonable document. However, I do see a considerable amount wrong with some of these terrible demands and work practices that have been built up in the iron ore industry for a number of years and which have nearly brought it to its knees.

The member has said a lot of nonsense about Japan, about how it was all quite cosy and sweet talk; and he said that the unions had Japan just about convinced that all was right and there would be no problems. That is rot. The member has not been to Japan lately. That country nearly cut off at the stem buying our iron ore, and it was so worried about the Western Australian iron ore industry it had its emissaries out looking at places like Brazil for alternative supplies. I might tell members that it is only now that a slight increase is starting to come because Japan is taking a bit of a punt that Charles Copeman and his people's shake-up of the iron ore industry might rumble through, and it is hoping it can get back to obtaining a reasonable supply. It is foolish to think that today we can go on having large strikes and not having a reasonable supply to countries like Japan, because it is in the position where it will buy where it thinks it can obtain the best deal.

I can tell members that without the iron ore industry in Western Australia, members like Hon Tom Helm would not be here today, and the whole economy of Western Australia would be a lot worse off. This agreement at least brings some changes, and I hope that lessons are

learnt from what happened last year, because if they are not learnt, there will be no cream on the cake. It is fortunate that there is now a smear across the top.

I understand from talking to some of my friends in the iron ore industry last night at Port Hedland that they are very aware -- as they are at Mt Newman -- that they do not want any strikes. When one brings into this House threats where people are saying that employers should not be able to give one week's notice to transfer an employee from Wickham to Pannawonica, or perhaps from Port Hedland to Mt Newman, one must remember that the company does not do that without thinking what it is all about. It may be necessary to do that.

Hon Tom Helm: The company sacked people, and those people were reinstated by the Industrial Relations Commission.

Hon P.H. LOCKYER: It is the company's right to be able to shift those people around. The company pays their wages.

Hon Tom Helm: A man has to tell his wife that he is going to Wickham, and then he comes back the next week and says, "You, me and the kids are going to Pannawonica."

Hon P.H. LOCKYER: So what? They are going into another brick, air-conditioned home, which is exactly the same; and there is a school there. What is so terrible about that?

Hon Tom Helm interjected.

Hon P.H. LOCKYER: A lot of people do that on a week's notice. What about the bloke who has a sheep station at Meekatharra and who has to send his children down here to go to school?

Hon Tom Helm: At least they go there all the time. They do not go to Meekatharra one week and to Carnarvon the next week.

Hon P.H. LOCKYER: What about somebody who is forced to go to the other end of a property for six months on a mustering gang?

Hon Tom Helm: This can go on indefinitely, that a child's dad can be sent to wherever.

Hon P.H. LOCKYER: Does the employer not have any rights at all?

Hon Tom Helm: Of course he does.

Sitting suspended from 3.45 to 4.00 pm

Hon P.H. LOCKYER: Prior to the afternoon tea suspension I was saying that the amendments to the Act come after Robe River and Peko-Wallsend have put in place a very slick operation which employs 300 fewer people and is making a profit at last. It will not be the end of all the problems, but it is a step in the right direction. I agree with the previous speaker on one point; that is, the end effort has to be put towards keeping a profitable operation and jobs for everybody. I support the Bill.

HON MAX EVANS (Metropolitan) [4.01 pm]: I rise to support the Bill and make some comments which I want to go into *Hansard* to rectify what I think are a lot of misstatements about the whole operations of Robe River Iron Associates. I happened to be up there in the first or second week of October 1972 when the first shipment of iron ore went out from Cape Lambert. The Act was passed in 1964, but the operation took eight years to get up and running. There were a lot of problems involved in putting the money together and getting contracts. The first contract arranged between Cliffs Robe River Iron Associates and the Japanese, amounting to $1.2 billion, was at that stage the largest contract ever signed in the world for any one product. It was bigger than anything Hamersley had done, and Hamersley had started some years earlier.

It was a major change from what Hamersley was doing because it was using hard rock iron ore and Robe River was using much softer rock which was a lot easier to crush out at Pannawonica and bring down on the trains. It was a completely different operation. There were a lot of knockers of this operation for some time because of the lower percentage of iron ore. However, its operating costs were much lower and it was able to do a mix of the iron ore going to Japan and make a very satisfactory product for the Japanese.

There was a strong Japanese influence in the operation right from the start. Mitsui Iron Ore Company has been there right from the beginning with 35 per cent, and what is now referred

to as Robe River Mining Company Pty Ltd is the former Cliffs Western Australia Mining Company Pty Ltd, which had Bank of America, Texas Gulf, and Cleveland Cliffs Iron Company as investors with about 30 per cent of the original capital. Due to tough times in the iron ore and steel industries in the United States the Americans were happy to sell their interests to Peko. They had to pull back their resources to the United States, and that is how Peko came on board. Peko paid full market value for its interest in the operation.

Hon Tom Helm queried the legal case the other day regarding whether the stamp duty should be $300 000 or $2.5 million. It was not a case of someone trying to avoid stamp duty; it was a technical point about whether some items should be subject to stamp duty or not, and it had to go to the Supreme Court. Normally stamp duty is paid on a fixed asset. In this case it was on the value of the iron ore leases, and it was a very fine point of law.

I support these amendments. One of the main ones is to take Cleveland Cliffs Iron out of the title because that company has now dropped right out of the operation and Peko has the main interest with other Japanese groups, Nippon Steel and Sumitomo. The Japanese interest has kept this operation going very well. They were very worried during the period leading up to July 1986 because production had been dropping and costs had been going up, and nothing could be controlled. A lot of criticism could be directed at the old management, but originally it was American and they believed they could make a contract with employees which would be kept. That was the way they had run their businesses all their lives in America. They signed up with a union in the US for a two or three-year contract, and it would be held. It was enforceable by law. They made contracts here, but they found every time that they would be torn up and they would have to make another one. That is how these work practices came in. They were intent the whole time on keeping their Japanese customers happy. That is what this Bill is all about; the Japanese customers are also partners in the operation. After a while, as happens with anybody, one gives in once or twice to get one's own way and one is put in a weak management position.

The Robe River dispute created the phrase "restrictive work practices". This problem arose only a little over 15 months ago, but before that the phrase "restrictive work practices" was hardly known in the community. Hon Tom Helm probably used it 50 times today in his speech, and it has become a way of life. Charles Copeman brought it out into the open. If he had not taken the action he did in relation to Robe River we might not be discussing this amendment to provide for further expansion and other things to happen at Robe River. We might have seen the demise of that company because some union people do not mind seeing the demise of a company for a political or union end. It is immaterial; the principle is all that matters. Because Charles Copeman took that action and saw the situation out the company became stronger and that is why we are dealing with a Bill today to improve the operations.

This all happened at a time when Australians had become acutely aware that not all was well with the national economy and something had to be done. Those are not my words, they are the words of *The Mining Review*, an independent magazine published in December 1986. It talks about the Robe River operations, and I would like to record these remarks because of all the statements which have been made today which I know from my professional experience were blatantly wrong. A statement was made that senior executives got a letter one night which said that they had lost their jobs. That is not right. There was a meeting one morning in the office and they were told like men what had happened. There were no letters in the mail or anything else like that. These blatant misstatements which are put around are not fair to anybody.

Hon Tom Helm: It was on the desk.

Hon MAX EVANS: It was not on the desk. I quote now from the publication to which I referred as follows --

> The management had over the years conceded a huge array of restrictive work practices -- hundreds in all.

I will read some out tonight for members; there were 284 of them. To continue --

> The work force was told that the restrictive practices were to end, and union convenors were told to work in useful jobs rather than be full-time paid agitators.

I would like to explain that. Hon Tom Helm may be one of these union convenors. They had an office there to work out what was best for the union and not for the company. Along

came the new management and said, "Here is a hat, here is a tool, go out and work. You no longer have that office and you no longer have that telephone. You will go out and work." Maybe that is why Hon Tom Helm came down here; he may have been a union convenor who was sent out to work, and he has come to Parliament. The document goes on to say that the management was replaced. No-one denies that; Mr Wyvern Rees is now head of the State Government Insurance Corporation. He was number two in that company. The article goes on to say that excellent production was achieved during those first few days and then the strikes started.

Hon Tom Helm: Lockouts!

Hon MAX EVANS: They had to be lockouts because of the problems the company had with the men. The article goes on to say that the work force was plainly relieved that Peko-Wallsend's controlling interest had at last been exercised to stop the blatant and often corrupt excesses that were legion throughout Robe River. Then the long arm of the Western Australian Industrial Relations Commission reached out and gave two sets of orders to management to return to what was grandly called the "status quo". The article goes on to say that it was seen as a definite strike by the new management against the union power at Robe River and against the industrial tribunal system. The rest is now history, and the whole of Australia is better off for it. The company is better off; it is making profits. Some of the people who lost their jobs may have been good workers, but many of them were not and the company was glad to see them go.

Hon Tom Helm: You say that with authority, do you Max? You would know.

Hon MAX EVANS: Three hundred men lost their jobs and production is now up. Generally speaking, they would have been re-employed elsewhere if they were honest workers. It continues --

> Restrictive work practices, result from any actions at all by employees to limit the amount of work done, or the nature of the work done, or the methods of doing the work, for which those employees are employed.

Hon Tom Helm referred to restrictive work practices and I am sure he has not seen them all because there are 264 in total. I did not have time to obtain a copy of the entire list, but I do have 22 all of which I do not intend to mention at this stage, but I will pass a copy of them to the member.

Hon Tom Helm: Why don't you tell the commission that? Why are they secretive?

Hon MAX EVANS: I advise the member that they are all public documents. The publishers of *Mining Review* received a copy. The article continues --

> 1. Mobile equipment used in the mine includes watercarts, rubber-tyred bulldozers, front-end loaders, and trucks. The AWU --

I suppose that is the union to which Hon Tom Helm belongs.

Hon Tom Helm: No, it isn't. I belong to the Metal Workers Union.

Hon MAX EVANS: I am sorry about that.

The PRESIDENT: Order!

Hon MAX EVANS: It continues --

> -- insist on a system of preferential manning of equipment so that all mobile equipment is manned before the trucks --

If all the mobile equipment cannot be manned, the trucks cannot be used for any haulage of iron ore. It continues --

> -- even to the extent that no trucks are manned until employees are worked back on overtime or paid a call out. This results in overtime payments to the number of persons required to operate sufficient trucks, to maintain production targets, ie up to 10 trucks.

The next item is very interesting. It reads --

> 2. The AWU insist that three water trucks are manned every working day shift and two water trucks are manned every working afternoon and night shift -- even in winter months and when it is raining.

Hon Tom Helm: That means a lot in the Pilbara.

Hon MAX EVANS: It continues --

> This results in excessive overtime as other employees must be worked back on overtime or paid a callout to drive trucks to meet production targets while the water truck drivers are not working, but being paid.
>
> 3. Recently a truck driver commenced training as a train loadout operator because the shift the driver worked on, would soon be short of loadout operators due to annual leave commitments. The AWU imposed a ban on this training stating if that shift was short of loadout operators it was to be covered by overtime from the other shifts.

In other words, they would bring back employees, on overtime, and they would earn a lot more. They are not forcing people to work on overtime. The article continues --

> 5. Trucks cannot be operated when the airconditioner is not working, regardless of the time of year or the weather conditions.

Perhaps that condition should apply to Parliament House. If we did not have to work when the air conditioners were not working, we would get no work done at all. Hon Joe Berinson is looking very sad. The article continues --

> 6. Track maintenance crews insistence on a hot meal freshly prepared on site uptrack, up to 90kms from the nearest mess or town, in airconditioned facilities, even though a substantial crib (at least three choices of cold food) was supplied.

Therefore, if they are supplied with cold food, they insist on hot food. It continues --

> If a hot meal was not provided payment was demanded at double time for the afternoon (minimum of three and a half hours at double time each day).

These are the types of work practices which were breaking the company and which had to be stopped. It continues --

> 13. Warehouse employees insist on knowing the content of shipping containers prior to unloading, otherwise they refuse to unpack them.

There are many more conditions which complicate the union issues, but they are very important. I have spoken about the hot meals for the train drivers but the following is a check list for a two-man crib on the railroad prior to 31 July 1986. The list of food received by tugboat operators was astronomical --

Hon John Halden: Copeman is not without --

Hon MAX EVANS: He is not without profit. I remember when this issue started a comment was made that Charles Copeman's company would not last very long because the company was having a tough time and that the strike would break the company in next to no time. Two weeks later the company announced a $50 million profit and after that the unions became weak at the knees. The list of food to which I have referred is as follows --

> 2 steak or 6 chops, etc;
> 4 chicken pieces (cold);
> 6 slices processed cold meat (cooked meat if available);
> 6 eggs and bacon;
> 1 loaf of bread;
> 12 pieces of butter;
> 4 pieces of fruit (whatever is available);
> 1 x 2 litres of milk;
> 4 tomatoes;
> 1/2 lettuce;
> 2 onions;
> 1 cucumber;
> 4 pieces of cheese;
> 2 canned fruit (two fruit, etc);
> 4 canned juice (whatever is available);
> 1 small can evaporated milk;
> 1 can tuna, herring or sardines;
> 2 small cans pre-cooked food (spaghetti etc).

How the railroad workers could keep awake after eating that meal is beyond me.

I support the legislation.

HON E.J. CHARLTON (Central) [4.15 pm]: I thought the opening comments by Hon N.F. Moore were sufficient to register the Opposition's -- both the Liberal Party and the National Party -- support of this Bill. It is a shame that we have reached a stage where actions which took place many months ago have been brought to the fore. Hon Max Evans summed up the situation accurately when he made reference to some of those things which took place and to which Hon Tom Helm referred to earlier. It goes without saying that the views expressed by Hon Tom Helm certainly are not shared by members of the National Party because at that time we had the opportunity to talk with Charles Copeman and his representatives about what they were trying to do and the problems associated with the company. Obviously the changes to the agreement before us are a culmination of those initiatives that are intended to be put in place.

We keep hearing, "Let the commission decide", and I just want to make a couple of observations. It is all very well for the umpire in a dispute to make a judgment and hand down a decision, but he is not paying the bills. It is time that a few decisions were made to satisfy the individual or the company that is paying the wages or the bill at the end of the week. The worker has to pay his bills and meet his commitments and, in the final analysis, he obviously is the one who has to protect his own wellbeing. In this case it is the company protecting its wellbeing, otherwise there would be no-one promoting or developing the production activities that this nation was built on. We should recognise that Australia was developed along the lines of this Bill. We are putting in place an agreement to ensure the future of the company in respect of which no work practices, rules, regulations and conditions had to be agreed to by all concerned.

The National Party supports the Bill, but I endorse the comments of other speakers; that is, if we do not give these companies an opportunity to enter into commitments and have people adhere to them, there is no chance for any of us.

Question put and passed.

Bill read a second time.

In Committee, etc

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon. J.M. Berinson (Leader of the House), and passed.

SILICON (PICTON) AGREEMENT BILL

Second Reading

Debate resumed from 25 November.

HON N.F. MOORE (Lower North) [4.29 pm]: This is one of a number of agreement Bills which are now coming before the House. It is pleasing that at last an agreement Bill appears to be setting up something new. We have had a string of amendments to agreement Acts ever since this Government has been in power, but we have seen very few new agreement Acts which set up new industries. There has been a litany of failed measures with respect to resource development since 1983, and it is pleasing to be able to comment upon a project which may get off the ground.

The project, of course, is the Barrack Mines Limited proposal to set up a silicon plant at Picton near Bunbury. There is a similarity in the timing of the announcement of this proposal and the announcement of the Channar iron ore project. This one was announced just before the South West Province by-election, and the Channar project was announced prior to the 1983 Federal election. I hope the same fate does not befall the silicon project and that we find it being announced prior to the next State election, and ad infinitum, until eventually the public realise they have been taken for a ride. I understand that, subject to environmental considerations, this project will get off the ground and be an income earner for this State's economy.

The project essentially involves the mining of quartzite from a mine near Moora in the wheatbelt. Combined with the supply of jarrah firewood, and the manufacture of charcoal, it is possible to produce, through the use of electric arc furnaces, a product called silicon. The project was mooted some time ago, and suggestions were put up for other places such as Wundowie or Pinjarra. Now we find fortuitously that the Government has chosen Picton near Bunbury in the South West Province.

It is possible that the project will employ an estimated 280 people during the construction phase, and 120 during the operation. The multiplier effect is projected to result in a further 200 jobs in the district, and that is to be applauded. It is very gratifying from the Opposition's point of view that this project is getting started and it will provide that sort of employment. When we look at our employment figures we could certainly do with a few new projects.

Looking at the actual operations, the project involves the quartzite mine at Moora. Something like 60 000 tonnes will be mined each year and railed by Westrail to Picton. That is not a very big amount when one considers the size of many mining operations, but I believe it will be a part-time mining operation and the material will be railed only when needed.

Perhaps the most controversial part of the project is the use of the second ingredient, timber. It will require 124 000 tonnes of firewood each year to make charcoal. I understand the jarrah is removed from the forest, made into charcoal, and the charcoal and the quartzite are placed in the electric arc furnaces to produce the silicon. The Department of Conservation and Land Management will contract for the supply of the firewood. We were told in the second reading speech that the wood to be used is of such a quality that it will have no adverse effect on the supply of millable timber from our forests. In other words, it will essentially be waste material. There is some doubt about that. I find it interesting that very little comment has come from the people who are generally involved in the conservation business. I can imagine the sorts of headlines we would be getting if a Government of a different persuasion suggested the use of our jarrah forests for an industry like this. More questions may have been asked publicly in those circumstances by conservationists than are being asked at the present time. Conservationists seem to give the Labor Party and the Labor Government a much easier ride than they were ever prepared to give the previous Liberal and National Party Government.

Hon B.L. Jones: Is that the record?

Hon N.F. MOORE: The Government is proposing an industry which will use timber from our forests.

Hon B.L. Jones: Waste timber.

Hon N.F. MOORE: I hope that is all it is, because some people have spoken out about their concern for what may happen to the forest, particularly if the project is enlarged and an increased amount of firewood is required. If that is the case, there is a suggestion that the amount of reject timber may not be sufficient to provide the needs of this industry. Being one of those who thinks we should use our renewable resources to the best effect, I am not unhappy that this project is going ahead. Even if it uses timber which may be used for other purposes, we should not let that interfere with our decision to go ahead with the project.

In respect of the area in which the project is to be set up -- Picton -- certain zoning restrictions will be placed on the area involved, and on residential development in the vicinity of the project. That itself has been the subject of some complaint in the Bunbury area. People have complained about a noise problem; that the plant itself gives off a certain amount of noise which is irritating; and that the distance between the project and residential properties is not sufficient to prevent the noise from being a problem for nearby residents.

The second area of concern is in respect of fumes from the plant. I draw the attention of the Minister to a report in Saturday's *The West Australian* of 28 November, which is headed "Report warns of silicon fumes". It mentions that an environmental report was prepared by the company which indicated that an unacceptably high level of silicon fumes could be emitted from the plant. The warning relates to a worst case scenario, as they describe it.

Hon J.M. Berinson: For very limited periods.

Hon N.F. MOORE: That is right. I do not personally know whether that is acceptable, but I am fortified in my support of this legislation in the knowledge that this project will not go ahead if it does not meet the environmental requirements of an environmental assessment study.

The second reading speech makes it quite clear when it says --

> The Government makes it clear that all environmental conditions will be addressed prior to final approval for the project to proceed being granted, regardless of the ratification of this agreement.

We take that comment on board and wish to reinforce that that is the way it should be. Environmental studies which have been done into silicon plants were done in respect of the original proposal at Wundowie and at Coolup. The circumstances in relation to those localities are different from the circumstances which relate to Picton. It is important, therefore, that additional environmental studies are undertaken, particularly in view of the proximity of this plant to residential areas, before the final go-ahead is given. If the site turns out to be unsuitable environmentally, I hope the Government will very rapidly find another site and provide similar incentives to the company to develop there. The Government is probably sensitive enough to environmental matters to be prepared to make that sort of decision.

In conclusion, the Opposition is very pleased to see this Bill before the House. At last we see a resource project coming off the ground, albeit a small one. However, we make the point that because of its proximity to residential areas, and because of the environmental sensitivity of the south west, it is absolutely crucial that the environmental reports give the project a clean bill of health, otherwise long-term problems may arise.

We take on board the comments of the Minister that a new environmental assessment will be undertaken, and this project will not proceed until that has been completed. With those general comments and observations we support the Bill.

HON E.J. CHARLTON (Central) [4.39 pm]: I make a couple of comments about this silicon Bill. My colleague in another place, Max Trenorden, the member for Avon, made some fairly strong statements in that place about the decision to relocate the site of this plant at Picton. I was a party, along with Max Trenorden, to persuading the Minister for Housing to give Wundowie, in association with Northam Shire Council, some housing land to enable Wundowie to prepare for this project being sited there.

It is unbelievable, even in this day and age, for whatever reason, whether it be political expediency or something else, to think that the expectations of people are built up to such an extent. They thought they would see a plant initiated there, bearing in mind what has been stated already; that is, that the quartz would be mined at Moora and that jarrah would be provided for charcoal. That seemed logical, especially bearing in mind the history of Wundowie. The State ironworks was there previously, and charcoal was a very important part of that operation. They thought this project would be an opportunity for a new plant and new technology. It seemed to be a very logical and well-managed proposition that the plant be put at Wundowie.

All of a sudden, after some months, we heard that it was not on -- that the plant would go to Picton, just outside Bunbury. I would like to know why the decision was made, because until now nobody has stated categorically the reasons for shifting the project from Wundowie, in the Shire of Northam, to Picton, in the City of Bunbury.

Hon N.F. Moore: You did not have a by-election on, did you?

Hon E.J. CHARLTON: There could be a couple more if they keep doing this sort of thing. They might be short of a couple of members of Parliament.

Hon N.F. Moore: They missed out on the previous project in Bunbury.

Hon E.J. CHARLTON: Do you think that could have something to do with it?

Hon N.F. Moore: I think you might get the next one.

The PRESIDENT: Order!

Hon E.J. CHARLTON: "I had not thought those sorts of things would happen." I say that in

inverted commas because really, and I am being very serious about this, it is not good enough when a Government makes a decision to put in a plant and then changes its mind as to the location of that plant. Obviously a lot of work went into providing the site to make sure it would be to the satisfaction of everybody concerned. For the company, for the Government, and because of the raw materials to be provided, that was the logical place for it. As well, the shire did its preparation and carried out its responsibilities to ensure it would have everything in place, not six months after the plant was up and running but prior to its commencement so that there was no hold-up. Then, all of a sudden, everyone heard that the plant would not be put there.

Hon Doug Wenn: Do you support the project?

Hon E.J. CHARLTON: Of course the National Party supports the project, because it is another innovation and initiative for the people who are involved, and the company. It will create a work opportunity, which obviously Hon Tom Helm would be very interested in, provided the conditions laid down for the employees were to his satisfaction. However, that is another story.

Perhaps, now that it has been pointed out, we might have a situation where for environmental reasons -- and I say this without any disrespect to the people of Picton -- the Environmental Protection Authority suggests Wundowie is the ideal site. That would be a pretty logical conclusion. Recently it has been established that for three hours or three days of the year there would be a problem with the environment.

I place on record the National Party's very great dissatisfaction with the Government's decision to change the siting of this project in this manner, contrary to the expectations of those concerned in Wundowie. For all those individuals and organisations, including the local authority, to do the preparation for the plant and then to find out all of a sudden that the project would be put in some other place, is unbelievable. If every organisation is to be subjected to these sorts of goings-on, it is little wonder that inefficiencies creep in and become part and parcel of the extra overheads incurred.

In supporting the second reading, I place on record our dissatisfaction with the Government's shifting of the site of the plant from Wundowie to Picton.

HON A.A. LEWIS (Lower Central) [4.45 pm]: I will not hold the House for long, but I have a number of questions which I think should be answered before we go into the Committee stage. Was it the company's first choice to site the plant at Picton? That follows on from what Mr Charlton and other members have said.

My second question concerns the length of the contract. The second reading speech said it has a 20-year life span. It says in the Bill that the contract will go for 21 years with another 21, as I read it, so I wonder whether the figures have been calculated over the 20-year period or over the 42-year period.

That leads me to my third question, which concerns the amount of 124 000 tonnes of timber for firewood. Is this 124 000 tonnes, and the Government's comment that it can get plenty of that timber, based on the period of the contract being 20 years, or 42 years? We are talking of four million-plus tonnes of firewood, and I wonder if the Government thinks it will go on for 40 years and whether the Government seriously considers that will be provided by CALM.

That leads to my fourth question: Will there be a CALM inspector on the site?

Hon Garry Kelly: Or an agitated one?

Hon A.A. LEWIS: I mean, will there be a Department of Conservation and Land Management inspector on the site to make sure that no good-quality timber goes to making charcoal? I would think there would have to be a guarantee to this House about this. The way certain groups go about the woodchip organisation, surely in using this amount of jarrah the Government would have to put an inspector on site at the plant.

There are two other questions that ought to be asked. The first relates to the quarry operation. It says 60 000 tonnes will be crushed and screened, but it does not say what the actual rail freight component is; that is, the amount of material that will be freighted through Moora down to Picton. It says that when it is crushed there will be waste and that it will be used for rehabilitation.

Hon J.M. Berinson: What is your question?

Hon A.A. LEWIS: It says that 60 000 tonnes will be quarried, then crushed and screened, and that that waste material will be used as backfill. How much of that 60 000 tonnes is usable material, and how much is backfill?

Hon J.M. Berinson: What is the significance of that question?

Hon A.A. LEWIS: It has great significance. Hon Fred McKenzie would say it was less profitable to the railways.

Hon J.M. Berinson: To say 40 000 tonnes is less profitable than 50 000 tonnes is an argument for or against the agreement?

Hon A.A. LEWIS: I want to find out how much will go to the railways, because another part of the Bill allows the company to use road transport to move the final product back to Fremantle.

I do not think enough detail was given in the second reading speech, which says bore fields will be established to fulfil the water requirements. What will that do? What is the capacity of the bore field and what will be its effect on other users of underground water?

Hon J.M. Berinson: Is not that a question for environmental assessment?

Hon A.A. LEWIS: Yes, it is. Does the Leader of the House not think we should be interested in the environment?

Hon J.M. Berinson: Surely the answer is "adequate".

Hon A.A. LEWIS: The Government announced that this project was a goer --

Hon J.M. Berinson: Yes. Is the member against it?

Hon A.A. LEWIS: The Leader of the House is trying to draw red herrings across the track. I will stand here as long as the Leader of the House wishes to argue about environmental matters. The Leader of the House is trying to say, "Don't worry about that, the environmentalists will deal with that." Are we to believe the Environmental Protection Authority is infallible? The Minister does not answer. These subjects have to be brought up.

Hon J.M. Berinson: There is no question!

Hon A.A. LEWIS: Yes, there is. The Leader of the House knows that the EPA is fallible, just as everybody is fallible. The supply of water to other people may be disturbed -- as we have seen in the coalfields. The householders in areas around Collie have problems in getting water, although I must give credit to Mr Ernie Bridge as he is trying to do something about it.

Hon John Halden: He is a good Minister.

Hon A.A. LEWIS: He is a first-class Minister. I wish some of the others were up to his standard.

Hon B.L. Jones: They are all first class.

Hon A.A. LEWIS: I will put in my bill later.

I am worried about where the jarrah will come from and whether, without opening up quarantine areas, we will be able to get that amount of wood every year.

I support the concept, although I have a few queries. Will the need for 45 megawatts of power create a new power station at Collie? Does the Government envisage a new power station at Collie; if not, what guarantee can the Government give on the continuation of a good power supply for the people of the State? A draw of 45 megawatts on the present Collie production of power may well give problems to ordinary householders and businesses. I think it would be marvellous if this Government provided a new power station at Collie. It never has. In the main Liberal Governments have started power stations in Collie, or Labor Governments have not completed them and when Liberal Governments return to power they complete the job.

Hon T.G. Butler interjected.

Hon A.A. LEWIS: If Hon Tom Butler wants to go back in history and debate that, he can.

Hon T.G. Butler interjected.

Hon A.A. LEWIS: I am glad the member can, because he will remember in the past we have had accountability -- which we have not seen from the present Government.

Hon John Halden: Is the member talking about balancing --

Hon A.A. LEWIS: Accountability. If we can go across to the Budget, for Hon John Halden's sake -- the nonsense put forward by this Government about the deficit of the previous Government has surely been shot to pieces so many times it does not matter.

Hon J.M. Berinson: I have not heard it shot to pieces, because it is true.

Hon A.A. LEWIS: The answers given by the Leader of the House have shot his own theories down about the short-term money market.

Hon J.M. Berinson: Rubbish!

Hon A.A. LEWIS: Now, with WADC, we get half the return on the short-term money market, which is an absolute disgrace.

Hon John Halden: Interest rates have gone down.

Hon A.A. LEWIS: Interest rates have gone down since this Government came into power! Well, well, that is interesting.

Hon J.M. Berinson: It is more interesting than a number of points the member has made.

Hon P.G. Pendal: This House can do without the help of Hon John Halden on economic matters.

Hon A.A. LEWIS: That convinces me about what I heard the other day: This Government consists of a heap of economic pygmies.

How can any company make a decision to build a plant when the State's commitment to the project to supply, through the Department of Conservation and Land Management, the necessary firewood-quality timber under commercial terms and conditions is yet to be agreed. The company has not been told what price it will pay for the timber.

Hon J.M. Berinson: Has the company complained?

Hon A.A. LEWIS: Yes, I think it has. Some of the figures given by this Government were based on previous quotes for charcoal. I have heard that quotes for charcoal, due to Government costs and charges, have had to be raised fairly considerably. Will CALM do these people out of a job? Does the Leader of the House say that CALM can fulfil the contract at less cost than an outside company which already has facilities?

Hon J.M. Berinson: Will the member repeat the question related to charcoal?

Hon A.A. LEWIS: I was informed by a director of the company that the previous quotes by the company were found to be far too low considering what has happened since in relation to equipment and licences. I was told that if it had quoted for it, the price of charcoal would have been increased.

I support the Bill.

[Questions taken.]

HON BARRY HOUSE (South West) [5.08 pm]: Because the silicon plant will be established in the south west, I wish to make a few comments on this matter. I welcome its establishment on land near Bunbury. However, people are entitled to be very suspicious of the timing and even of the location proposed for the establishment of the plant, but I will not go into arguments on that. I sincerely hope that this is not just another hollow promise to people of the south west, as were the promises made in respect of DTX, the aluminium smelter, and the State Engineering Works, which were all promoted with much rhetoric but came to nothing.

In welcoming the proposed establishment of the silicon plant in the area, I express a number of concerns. The Dardanup Shire is concerned about the way the silicon plant has been promoted in the area. It was given about 12 minutes' notice by telephone of the proposal. It is also concerned about the rezoning provisions in the Bill because it believes that its traditional powers over zoning matters will be bypassed. Every indication is that they will

be. The shire feels it has been treated shabbily, and this is just another example of the Government's overriding local authorities, a matter about which local authorities throughout the State are extremely worried.

Other members have touched on the environmental concerns relating to this Bill. An article appeared in the *South Western Times* on 26 November relating to a Tasmanian woman who lives near the only other silicon smelter plant in Australia. The article stated --

> A Tasmania woman, who lives near Australia's only silicon smelter, has called on Bunbury people to oppose the Barrack Mines plant proposed for Picton.

She expressed some concerns and explained that emissions and noise are a very real problem with that silicon plant. I do not advocate opposing the plant, but until the proper review has been undertaken, it is an area of concern.

Hon Norman Moore mentioned an article which appeared in *The West Australian* and which posed a few questions from the environmental report carried out by the company. The people of Glen Iris and Eaton, the two nearest suburbs to the plant, are very concerned about those problems. The SCM plant has already been operating in that area for 20-odd years. It has been encroached upon by development and presents a pollution problem for the people of Australind, which is not far away. In my short time as a member of Parliament, people have already complained to me about the problems with fallout from the SCM plant at Australind. That is another argument, but we should not repeat a mistake made some 20 years ago. There are already residential areas at Eaton, 1.5 kilometres from the proposed silicon plant.

The Dardanup shire has suggested a possible land swap; the land under consideration at the moment is owned by the South West Development Authority, but the shire has available land further out near the Wesfi plant. It would provide a buffer zone of approximately 3.7 kilometres to the nearest residential area, near Padbury Fields. This seems to be a more appropriate site for the silicon plant than that proposed by the Government and I seek some assurance that that option will at least be investigated. I received a letter from Mr Trevor Stewart, a resident of Eaton, which summarises some of the concerns of people in that area. It states --

> The Bill . . . is bypassing the local government council control for the rezoning of the land for the proposed plant.

He also expressed concern about the impact of a silicon manufacturing plant on the residents of Eaton and Glen Iris and the fact that the plant will be only one to one and a half kilometres from residential areas. The letter further states --

> The noise level increase caused by the plant will be constant and added to the basic level of 30db recorded in the Eaton residential area at night, would be unacceptable to local residents.
>
> If in the event of a major power failure, fumes from the silicon plant would be vented directly into the atmosphere causing a major dust and health problem to residents in close proximity of the plant.

Mr Stewart then discusses the alternative site, as follows --

> An alternative site, which is larger than the Picton site, is available for the location of the Silicon Plant . . . This site is a minimum of 3.5km from the nearest resident and considerably further from Eaton and Glen Iris residential areas. This site was shown to Mr Jim Malcolm from the E.P.A. by the Dardanup Shire President, Mr Trevor Slater, and was considered to be a suitable site.

Another concern was --

> That the ERMP report on which the E.P.A. has written its review, was written for the original proposed site at Wundowie and has little relevance to the new site at Picton.

He also wrote --

> As no new ERMP report was written for the proposed Picton location, there is no provision for public submissions from residents in the surrounding areas.

I believe there now is and it was opened at the weekend. Mr Stewart concludes his letter by saying --

> As one of the many concerned residents of Eaton, I must express my strong disapproval of the proposed location of the Silicon Plant at Picton and consider the 1.5km buffer zone totally inadequate considering the size and type of plant to be located on the site.

This correspondent, along with most of the people of Dardanup and Bunbury, is not opposed to the establishment of the silicon plant; neither am I. I welcome it, but I want assurances from the Government that this question and others raised by Hon Sandy Lewis, Hon Norman Moore, and Hon Eric Charlton will be answered before the plant goes ahead. I support the establishment of the Picton plant subject to those reservations on the environmental clearances and its location near Picton.

HON DOUG WENN (South West) [5.15 pm]: Like most people, when it was first proposed that this plant be established in the Picton area, I had reservations, particularly with regard to the EPA findings. I was also concerned about the timber to be used. However, from reading the Minister's second reading speech, there is no doubt that the Government has done its homework thoroughly and has given a clear undertaking with regard to the timber to be used; that is, CALM will take full control and responsibility for the supply of wood in contractual arrangements. Any fear was dispersed when it was stated that the project specifications relate only to wood of firewood quality. I have the greatest respect at all times for CALM, it does a great job and its management of the forests so far has shown that it is well able to carry out the tasks given to it.

It was also stated in the second reading speech that --

> . . . the timber will be obtained as a result of thinning programme and as a by-product from various sources in existing timber production areas and will not --

I emphasise those words "will not" which are very important. It continued --

> -- involve any areas of State forests allocated for conservation, recreation, or landscape protection.

That was part of my concern. Some of the questions raised by Hon Sandy Lewis are good questions to which I am sure the Minister will give an appropriate response when he speaks on the Bill tonight.

The EPA report has been mentioned in connection with Hon Norman Moore's statement about the weekend newspaper. I also had some reservations when I read that report. However, in the second reading speech the Government gave an undertaking that --

> Although Parliament is being asked to ratify the agreement this session, this in no way prejudices the required environmental assessment procedures. The Government makes it clear that all environmental conditions will be addressed prior to final approval for the project to proceed being granted, regardless of the ratification of the agreement.

As far as I am concerned, that is a very important part of the Bill and the Government should be commended for taking that step.

Hon John Halden: That must be another one of our commitments.

Hon DOUG WENN: Yes, it is one of the Government's ongoing commitments in the past six years.

I now refer to the points raised by Hon Barry House in his speech, particularly with regard to the Dardanup Shire.

Hon P.H. Lockyer: An excellent speech.

Hon DOUG WENN: I thank Hon Phil Lockyer, I did not think he was enjoying it. I am informed that the shire had a fortnight's notice prior to that announcement being made and it was also involved in negotiations before the announcement. I understand there are still some problems with the people involved in assessing and putting together this project but, I know most of the people involved and I am sure that in time, with proper discussions, agreement will be reached between the Government and the Shire of Dardanup.

I will not enter into political matters here, but it is interesting to note that the President of the Dardanup Shire Council was a member of the regional planning committee which helped

develop the regional plan and which selected the land to be used for heavy industry in that area. I take members back 12 months to when the Government issued a rural plan of that area showing in big black markings what would be established as a heavy industrial area, into which this area was taken as part. The President of the Shire of Dardanup was part of the committee that made input about the establishment of that area.

There are 200 jobs involved here and everyone knows that injecting 200 jobs into any part of Western Australia, whether into Perth, the Dardanup Shire, or the City of Bunbury, that results in a further input for schools, in imported wages and in other things that must be for the better of the area. We already know that approximately a million dollars a year in turnover will come from the workers at SCM.

I now turn to the Tasmanian factory mentioned by Hon Barry House. I have seen that factory and it is worth noting that it is old and has nowhere near the number of controls that are to be put into the factory in Dardanup. I took in strongly what the lady said, but I think that she was showing a fair bit of emotion in what she said. The Tasmanian factory is old and dirty, and I am one of the first to admit that if that sort of factory were to be located in my backyard I would also stand up to be counted as one of those who did not want it there. However, this factory is not like that; in fact, I do not think that there is another factory like it in the world.

Hon Barry House: Ask the lady in Tasmania who lives on the doorstep.

Hon DOUG WENN: This factory is nothing like that one, which is a disgrace. However, it is old and has no controls imposed on it.

Hon T.G. Butler: We have seen it.

Hon DOUG WENN: Yes, we both saw it in January of this year. I fully agree with my colleague, Mr David Smith, MLA for Mitchell, who is a top person and who has worked hard as the member for his area, that if the Environmental Protection Authority comes up with the wrong finding, or one that says that this factory is not an appropriate one for the area, I will be one of the first to say that the development should not proceed.

I support the Bill.

HON D.J. WORDSWORTH (South) [5.26 pm]: I am concerned about the amount of timber available and suitable for the charcoal industry. Negotiations in relation to this matter commenced when I was Minister for Forests. Mr Garrick Agnew returned from Japan with the good news that he was to bring a charcoal-silicon industry to Western Australia. If I recall correctly, at that stage he had already bought the charcoal factory at Wundowie.

It has taken the six or seven years since that announcement for the final plan to be completed. At that time Mr Agnew, if I recall correctly, had a total licence for the use of firewood in Western Australia, I think within 75 miles of Perth. The agreement shown in the schedule to the Bill refers to 150 000 tonnes of dry jarrah of firewood quality. I thought that the wood to be used was to be fallen trees and that we would see a clean up of our forests. In fact, it appears that that is not so, that the definition of "firewood quality" covers growing trees and that the terms of this agreement will be used as the basis for thinning the forests.

Members ought to have some knowledge of exactly what quantities of firewood-type timber are within a reasonable distance of the factory, because without an assessment of that quantity of timber it is hard for members to accept this Bill. As Hon A.A. Lewis has pointed out, 150 000 tonnes of wood annually might completely reduce our forests in a short time, but we do not know that for sure.

One clause in the Bill states that should the State decide to negotiate with another company the terms and conditions reached will be no better than those under this agreement. Perhaps one can assume from that that there is room for another industry -- but I do not know that. In fact, none of us knows that, because this Bill does not supply enough information. When the energy crisis was at its greatest, the public was concerned about how we would survive with a shortage of oil; since then we have seen a glut of oil, but experts tell us that it will not be long before, once again, the world will be short of oil and we will be looking for other energy resources. Members will recall that at that time the people of Perth turned to wood stoves as a form of heating, and they became very popular indeed. A commissioner of the SEC, Mr Morgan, conducted a survey and found that it would be economic, due to the reasonably high

cost of oil, to fire the furnaces used to produce electricity using firewood, so there is an alternative use for that wood.

Members of the House should be given an idea of the costs involved here, as we are told in the schedule that those costs will be reasonable in commercial terms and that conditions have been negotiated and agreed to between CALM and the company. That statement is an open-ended one, and one is unable to determine from it just what price the wood will be, whether that price will be set so that it is favourable for this industry to start, or whether it will be favourable for the State by its utilising the income that could be gained from this industry. Undoubtedly 150 000 tonnes annually is a lot of timber, which has taken a long time to grow. This Parliament ought to be fully informed of exactly what resources the State has, how it is situated, the density of firewood within State forests close to where it is required, and the price that the State expects to gain.

HON W.N. STRETCH (Lower Central) [5.31 pm]: I wish, briefly, to give notice of some questions I would like to see answered in the Committee stage. All of them relate to the supply of timber from State forests.

Recently we were given an indication, in answer to questions, that CALM was taking over responsibility for all the logging in State forests, which meant it would control and do the felling itself. I would like to know whether CALM will have its own gangs doing the timber harvesting. If CALM is supplying all the timber for the project does that mean that CALM is delivering the timber to the works, delivering it to the outer boundaries of the State forests, or are project managers going into the forests to pick up the timber where it is felled for CALM? The significance of my question is obvious when one considers the effect on jarrah dieback areas and the possibility of another company working in those areas. I am concerned because a lot of this timber will be coming from within my electorate, probably from the northern jarrah forest areas of Collie or Donnybrook, which seem to be the logical sources.

My other point relates to the Minister's second reading speech which said that private roads will be provided by the company. Does this apply to the timber haul roads? As previous speakers have said, a large tonnage of timber will be coming out. If the company is taking responsibility for the roads, that is fine. If it only applies to private roads within the project area, that is one thing. If it refers to the roads coming out of the forest area that is great, because we are desperately short of funding for forest development roads. Will this also apply to the large major roads along which this tonnage will be carried?

Hon Fred McKenzie: What was the name of the centre? You talked about the use of roads --

Hon W.N. STRETCH: The roads from the timber source, wherever that may be, to the project area of Picton.

Another interesting point is the definition of dry and green jarrah timber. I thought dry timber meant dead timber, but it would seem that it may be only some of the poisoned thinnings which have shed their bark, and if they have not shed their bark, they are green jarrah. I always thought green jarrah was something flowering in all its glory, full of green leaves. Under this definition, which is not in the clause "definitions" but in clause 12, green jarrah means dead jarrah from which the bark has not been shed. We have an interesting botanical definition here, for which I would like to hear the Minister's explanation.

Hon D.J. Wordsworth: You are not suggesting this Government would poison jarrah trees, are you?

Hon W.N. STRETCH: We know it is a practice for thinning.

Hon D.J. Wordsworth: By this Government?

Hon W.N. STRETCH: The forestry department does use that method of thinning in certain areas.

Hon D.J. Wordsworth: I am shocked.

Hon W.N. STRETCH: So are quite a lot of people, particularly in the south coast area. There are reasons for it, and it is part of forest management. In some cases it is done advisedly in the hope of thinning and getting better stands. In other words they kill inferior and damaged species.

I will not delay the House further. I support the project but I would like some of these questions on the timber supply clarified.

HON MARGARET McALEER (Upper West) [5.35 pm]: It is not often that a project such as this causes so much interest over such a wide area, among members representing so many provinces. This is easily explained, as the mining takes place in the Moora shire, the actual processing will be in Picton, and the Shire of Northam has lost out on having the project at Wundowie.

My interest in this project concerns the carting of the ore. The intention, when it was to be at Wundowie, was that it would be carted by road. This caused a great deal of concern in shires from Moora, Victoria Plains as it relates to New Norcia, and Toodyay. The community of New Norcia was particularly concerned because it was felt that, as New Norcia does not have a bypass road, the carting would disrupt the tourist industry. Those areas were greatly relieved to learn that the ore is to be carted by rail. I am not sure if, had the project remained at Wundowie, an agreement would have been reached with Westrail to have the ore carted by rail, but I dare say in view of the disruption to so many towns it probably would have been. In any event, I share the disappointment of the Shire of Northam that it has lost the processing of this quartzite.

The other consideration in the Moora Shire, which was of paramount importance while negotiations were going on, was the use of water to keep down the dust from the mining. It was felt that in an area where no obvious water is available, and water is a scarce resource, the requirement for damping down dust in the mine might be very great. I understand that the supply of water needed for the mine is not anticipated to be very great.

I notice with interest that the second reading speech speaks of a bore field being developed to supply the water requirement. Mr Lewis raised this question when he was speaking. Many people will know that the quartzite mine is not very far from the Agaton bore field. People interested in the development of Agaton know that it is needed as a major supply for the north eastern wheatbelt, and would be glad of any opportunity which would initiate the development of that field, whether it be for mining or anything else.

During the debate in another place the Minister was unable to answer specific questions about the development of the bore field. I wonder, now that time has passed, whether the Minister can give us more detail about the supply of water to the mine and whether, in fact, the Agaton field will be used, and how it might link in with any future development of the field.

I hope the Minister will be able to obtain further information. While the Minister for Water Resources, Hon. Ernie Bridge, has undertaken to do his very best for the north eastern wheatbelt, and has outlined what appear to be possible and practical plans, he has left aside the development of the Agaton bore field which is an absolutely essential source of supply if we are to get water in those areas in future, and keep up the supply of water for Kalgoorlie, and other places.

Debate adjourned, on motion by Hon Fred McKenzie.

TRANSPORT CO-ORDINATION AMENDMENT BILL (No 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [5.41 pm]: I move --

That the Bill be now read a second time.

The purpose of this Bill is to enable Australian Airlines to apply for a licence to provide air services within Western Australia. In so doing, the Bill seeks to further promote and secure the gains associated with the Government's introduction of competitive forces into Western Australian air services.

It is important to establish at the outset that the amendment to the Transport Co-ordination Act proposed in this Bill imposes no obligation on the State to allow Australian Airlines entry to Western Australian air services. The amendment is purely to permit Australian

Airlines to be treated like any other airline operator; that is, to be able to apply for a licence to operate services, to have that application assessed and determined by the Minister for Transport and, if a licence is issued, to be subject to the provisions of the Western Australian Transport Co-ordination Act.

Under the Constitution the Commonwealth cannot authorise intrastate operations by Australian Airlines unless the authority to do so is provided by the State. The States of Queensland and Tasmania have referred their powers over aviation to the Commonwealth, hence the operation of Australian Airlines within Queensland. Such a general reference of power may be seen as surrendering part of the State's sovereignty to the Commonwealth, and the Government does not, therefore, favour this approach. As an alternative to a general reference of power, the Commonwealth Constitution provides under section 51(37) for a State to adopt a Commonwealth law so that it can, for example, apply to intrastate trade and commerce. The Australian National Airlines Act 1945, which governs Australian Airlines, provides for this possibility under section 19A.

Several provisions of this section are relevant to Western Australia. Firstly, section 19A applies to a State which adopts the section, and it ceases to apply to that State once the relevant State law ceases to be in force. Secondly, the section, once adopted, permits Australian Airlines to transport passengers and goods between any two places within the State in accordance with the provisions of the Australian National Airlines Act. Thirdly, the provision of intrastate services by Australian Airlines must be in accordance with State laws applicable to those services.

The issue of Australian Airlines' entry to this State's internal air services is a longstanding one and was the subject of a Royal Commission in the mid-1970s. For this reason, it is important to review briefly some of the more important arguments which have been raised against Australian Airlines' entry in the past and to explain why changed circumstances have rendered these arguments irrelevant to Western Australia in 1987. One concern in past debates on this issue was about the State's generally referring its powers over intrastate aviation to the Commonwealth. This is not done by this amendment.

Further, a 1984 amendment to the Commonwealth legislation -- section 19A(2) -- expressly makes Australian Airlines subject to State laws governing air transport in Western Australia. This means that Australian Airlines would be subject to all the provisions of the Transport Co-ordination Act 1966. It would be required to apply for a licence to operate and be subject to the conditions of that licence. In addition, the Western Australian Parliament retains the ultimate authority to withdraw its adoption of section 19A, although this would, of course, be an extreme action and is unlikely to ever be required, given the authority available to the State under the Transport Co-ordination Act.

The second significant obstacle to Australian Airlines' entry, which received a great deal of attention from the Sholl Royal Commission, was the impact that Australian Airlines' services might have on the Ansett jet services operating in this State. It is important to note, as I have explained earlier, that the adoption of section 19A does not in any sense grant Australian Airlines the right to operate services when or wherever it pleases. It will be up to the Department of Transport to assess, and ultimately for the Minister for Transport to decide, whether it is in the best interests of users in Western Australia for Australian Airlines to be permitted to operate and, if so, where.

It is evident from the Government's decision to introduce competition in the form of East-West Airlines and Skywest on selected routes, and from the successful operation of these competitive services for several years, that Ansett WA can continue to operate in the face of competition. At the same time, significant benefits to users have been generated following the introduction of competitive services. Lower fares, a greater range of discounts, choice of aircraft type, greater frequency, and improved cabin comfort have all accompanied the introduction of competition. These developments clearly demonstrate that the earlier fears that the Western Australian system was not mature enough to support more than one operator are no longer soundly based.

A third issue of some consequence in the past was the fact that Australian Airlines' entry to Western Australia would result in the two-airline agreement being introduced to internal air services. The non-competitive provisions of this agreement have been vigorously opposed by this State for a number of years. Their introduction into Western Australia was rightly

seen as simply extending the national duopoly rather than promoting meaningful competition in Western Australia's air services. Due in no small way to continuing representations by the State Government, the Commonwealth has now issued notice that the two-airline agreement is to be dismantled. Accordingly, the prospect for meaningful competition between Ansett and Australian Airlines has been significantly enhanced by recent developments.

The Government considers that, for the reasons given above, a strong case exists for removing the barrier which currently prevents Australian Airlines from applying for a licence to operate within Western Australia. In addition, however, recent developments in airline ownership make the need for the removal of this barrier both imperative and immediate. The takeover of East-West/Skywest by Ansett's owners has severely compromised the competitive situation established in Western Australia and has led to divestiture being required by the Trade Practices Commission. Without detracting from any other parties who may be interested in the services in question, Australian Airlines is a strong candidate to fill the gap created by the takeover, particularly on East-West's Pilbara routes. Of course, that is a matter for negotiation between the parties concerned. This legislative proposal simply facilitates all of the likely candidates obtaining access to the Western Australian scene under the control of the State's legislative provisions.

Australian Airlines' continued exclusion from Western Australia's internal air routes could therefore threaten the gains achieved from competition over the last few years. The adoption of section 19A by the State will create a potential competitive threat to the existing operator, with the benefits that go with it, even if Australian Airlines does not take up the East-West services. This contestability of the market -- as it is sometimes termed -- is considered by some to be as effective as actual competition in keeping incumbent operators on their toes.

The Bill recognises the realities of aviation in this State in the late 1980s and the 1990s. Australian Airlines has the potential to be a vital component of the Western Australian aviation scene over the coming decade, and the removal of artificial barriers to its entry is both timely and appropriate.

I commend the Bill to the House.

Debate adjourned, on motion by Hon D.J. Wordsworth.

PAY-ROLL TAX ASSESSMENT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [5.48 pm]: On behalf of the Minister for Budget Management, I move --

That the Bill be now read a second time.

The proposals contained in this Bill, together with the complementary proposals contained in the Pay-roll Tax Amendment Bill, grant the further relief from payroll tax to small and medium-sized businesses announced in the Budget speech. These measures will free an estimated 300 employers from payroll tax, while further relief will be provided to others by the expansion of the tapered deduction range.

The basic payroll tax exemption level is to be increased by 10 per cent to $275 000. For payrolls in excess of $275 000 the allowable deduction will be proportionately reduced in line with the existing taper arrangements, whereby the deduction reduces by $1 for every $3 by which the employer's annual payroll exceeds $275 000. The Government's desire to provide relief in this area is illustrated by the fact that the payroll tax exemption level has more than doubled since this Government came into office. This, combined with the various rate reductions made by the Government, has provided considerable assistance to small and medium-sized businesses. The liability for employers to register for payroll tax arises when the level of wages paid in any one week during a return period exceeds a specified amount. The Bill proposes that this amount be increased from $4 800 to $5 280. These measures are planned to come into operation from 1 January 1988.

It is also proposed that schedule 2 of the Act, which lists the Government departments and other organisations exempt from payroll tax, be amended to reflect the changes in title and the abolition of offices which have occurred since 1 July 1987, and the creation of the Technology and Industry Development Authority.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Max Evans.

PAY-ROLL TAX AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [5.52 pm]: I move --

That the Bill be now read a second time.

The purpose of this Bill is to implement measures announced in the Budget. The provisions are complementary to the changes outlined in the Pay-roll Tax Assessment Amendment Bill. The Bill will effectively result in a reduction in the payroll tax liability for all employers who pay wages below $1.98 million per annum. This will be achieved by increasing by 10 per cent the payroll threshold levels to which the current rates apply, with the changes to apply from 1 January 1988. The current minimum rate of 3.75 per cent is now proposed to apply to businesses with annual payrolls of more than $275 000, but less than $1.1 million. Honourable members will be aware that this minimum rate is significantly below the five per cent minimum rate which generally applies in other States. For businesses with annual payrolls between $1.1 million and $1.98 million, the rate will range from 3.75 per cent at $1.1 million to 4.75 per cent at a proposed level of $1.98 million, thus extending the payroll tax range to which the concessional rate applies.

The current maximum rate of 5.75 per cent is proposed to apply to businesses with annual payrolls of more than $1.98 million which compares with the current threshold of $1.8 million. As a result of these measures, taxpayers in the new payroll range of $275 000 to $1.1 million per annum will enjoy a reduced tax liability of between $1 250 and $2 250 per annum.

Taxpayers who fall within the payroll range of $1.1 million to $1.98 million per annum will also benefit to the extent of between $2 250 and $19 800 per annum. The concessional measures announced in the Budget, and which are to be implemented by the payroll tax Bills, provide relief at a cost to revenue estimated at $2.6 million in a full year.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Max Evans.

STAMP AMENDMENT BILL (No 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [5.55 pm]: On behalf of the Minister for Budget Management, I move --

That the Bill be now read a second time.

This Bill proposes to amend the Stamp Act to give effect to three new concessions announced in the Budget and a further minor machinery matter. The concessions relate to the stamp duty payable on --

a transfer of the family home into the joint ownership of a married couple from either one of the spouses;

rental businesses; and

residential leases.

I will deal with each concession in turn. At present, where the matrimonial home is in the name of one of the spouses only, a transfer into joint names is liable to stamp duty upon half of the value of the property. The Government acknowledges the desire of many people to ensure that the matrimonial home is jointly owned. In order to provide relief to married couples in these circumstances, it is proposed to provide a stamp duty exemption where the whole of the property transferred is used solely or principally as the ordinary place of residence of the married couple and is to be transferred from single ownership by one of them into both names as joint tenants. Where the dwelling house is built across the boundaries of two or more lots, exemption will also apply. However, where other property not forming part of the lot containing the residence is transferred in conjunction with the transfer of the residential lot, the exemption will be restricted only to the residential property.

Secondly, it is proposed to introduce a number of concessions applicable to the stamp duty on rental businesses. At the same time, it is proposed to simplify the administration of the returns system for rental business proprietors. A threshold for monthly rental income of $2 000 will be introduced below which businesses will not be required to register as a rental business for the purposes of the Stamp Act, or pay duty. This change will relieve nearly one-third of all currently registered taxpayers from the liability to register and pay duty. Moreover, for the persons who are registered, a full exemption from duty will be provided where total dutiable income in a financial year does not exceed $25 000. This compares with the current level of $5 000. If any duty has been paid by monthly returns, it will be refunded where an annual reconciliation shows that dutiable income was not more than $25 000 for the financial year.

In conjunction with this change, the threshold below which a person submitting monthly returns can opt to submit a single annual return is to be increased from $20 000 to $50 000. This means that taxpayers with an annual rental income of $50 000 and below will be required to lodge only one annual return. Where the Commissioner of State Taxation finds that a person lodging an annual return earns income over $60 000 in a year, he may require that person to change to a monthly return system. To facilitate easier completion of the annual return form, the return period has been brought into step with the financial year of 1 July to 30 June. To accommodate this change in the return period and the introduction of the new arrangements from 1 January 1988, the Bill includes special transitional arrangements. These concessions will reduce the financial burden on small rental businesses to the extent of about $400 000 annually.

As announced in the Budget it is proposed to lift the exemption level for residential leases from $80 per week to $125 per week. This should provide many families living in rental accommodation with relief from stamp duty on tenancy agreements and will cost the State an estimated $500 000 in forgone revenue in a full year.

Finally, a minor machinery matter not associated with the Budget measures is also included in the Bill. It is proposed to extend the time allowed for a taxpayer to satisfy the commissioner that any duty relating to a mortgage, securing property situated both in Western Australia and in other States or Territories in Australia, has been paid in that other State or Territory. These measures are planned to come into operation from 1 January 1988.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Max Evans.

DOOR TO DOOR TRADING AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Sitting suspended from 6.00 to 7.30 pm

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [7.30 pm]: On behalf of the Leader of the House, I move --

That the Bill be now read a second time.

The Door to Door Trading Act 1987 is part of a uniform exercise of Ministers for Consumer Affairs in all the States to achieve uniformity in the application of legislation between States in the Commonwealth and in the area of Consumer Affairs.

That Door to Door Trading Act was proclaimed on 1 September 1987. Due to an inadvertent drafting omission, the hours upon which door-to-door traders can call did not accord with the model as agreed to between the States. This amendment Bill confirms that no door-to-door trader can call on any person --

on a Sunday or public holiday;

on a Saturday before 9.00 am and after 5.00 pm;

on any other day before 9.00 am or after 8.00 pm.

I commend the Bill to the House.

Debate adjourned, on motion by Hon N.F. Moore.

BILLS OF SALE AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [7.33 pm]: On behalf of the Leader of the House, I move --

That the Bill be now read a second time.

This Bill is a consequential amendment of a substantial nature to the Bills of Sale Act as a result of the introduction of the Chattel Securities Bill 1987. This Bill restricts the matters with which the Bills of Sale Act can now deal. Having regard to the current difficulties in the rural sector, the Bills of Sale Act will still apply to growing crops, stock and wool. In fact, this category has been enlarged to encompass "hair" of any stock and adding all other animals to the definition of "stock". The register will in future be administered by the Department of Consumer Affairs.

The Chattel Securities Bill 1987 will apply to existing security interests in respect of registrable goods. Accordingly, existing Bills of Sale over registrable goods will have to be registered under the Chattel Securities Bill 1987 if the holder of the security interest wishes to protect their interest.

The DEPUTY PRESIDENT (Hon John Williams): Order! There is far too much audible conversation. Even the Minister reading her speech cannot be heard. Will honourable members please come to order.

Hon KAY HALLAHAN: It is not intended that such existing registrations under the Bills of Sale Act 1899 in respect of registrable goods will have to be renewed under that Act, although the Act will still apply to Bills of Sale in respect of unregistrable goods which are already registered under the Act.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Max Evans.

CHATTEL SECURITIES BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [7.36 pm]: I move --

That the Bill be now read a second time.

I am pleased to introduce into the Parliament this Chattel Securities Bill. This Bill addresses the problem of the sale and purchase of goods which are subject to prior financial encumbrances. It aims to set in place in Western Australia a register of security interests over motor vehicles and to guarantee title to bona fide purchasers of other goods under the value of $20 000 from prior financial encumbrances. It will achieve greater uniformity with other States in the Commonwealth and certainty for businesses and consumers alike in relation to the passing of ownership and purchase of goods that are subject to financial encumbrances. All other States apart from Western Australia now have similar legislation in place.

Honourable members will no doubt recall past legislation which has been introduced in pursuance of the goal of uniform legislation in the areas of consumer credit, travel agents, and door-to-door trading. Western Australia has had the benefit of closely examining the existing chattel securities schemes in all other jurisdictions and selecting the most appropriate model. Similar legislation has been in place in Victoria since 1981 and has been subject of extensive review in 1985 and subsequent amendment. This legislation therefore has been chosen as the preferable model as it represents the most sophisticated attempt to deal with a complex and difficult area of the law. It is true to say that in Victoria, financial institutions, the business sector, and consumers alike all appreciate the certainty and effectiveness of this type of legislation.

Extensive consultation has taken place between the Corporate Affairs Department and the Department of Consumer Affairs in relation to the impact of the proposals on the existing Bills of Sale Act. The Bills of Sale Act has been widely criticised by industry and academics as being cumbersome and unworkable from the point of view of any businesslike credit provider, in that it depends on a theory which belonged to the last century. Rural lenders perceive increased risk if the protection afforded by registration of bills of sales over crops, stock, and wool were removed. This perceived risk would likely be passed on by rural lenders in the form of restrictions on lending, and higher interest rates. Having regard to the current difficulties being experienced by the rural sector, it is proposed that the Bills of Sale Act, as it applies to growing crops, stock, and wool remain. In fact, this category has been enlarged to encompass "hair" of any stock and adding all other animals to the definition of "stock". The bills of sale register will in future be administered by the Department of Consumer Affairs eventually using the new computer system designed for chattel securities.

At various stages in the development of this Bill extensive consultation has taken place with the Corporate Affairs Department, the Police Department, the Law Society of Western Australia, the Australian Finance Conference, the Credit Union Association, the WA Permanent Building Societies Association, the Small Business Development Corporation, the WA Automobile Chamber of Commerce and members of the Credit Reference Association. Generally speaking, widespread support has been indicated for a Bill of this type.

The Bill will achieve two objectives. It will establish a register of security interests in relation to motor vehicles so that purchasers of motor vehicles in good faith and without notice of security interests shall acquire those motor vehicles free of any prior existing financial encumbrances. Innocent purchasers will be better protected by the chattel securities register against losing title than the existing illusory protection now offered by the bills of sales provisions. The Bill will also guarantee title to the purchaser of all goods in addition to motor vehicles where the cash price of those goods is less than $20 000 or in excess of that sum if they are unregistrable commercial vehicles or farm machinery. This protection will apply to purchasers who do not have notice of any prior financial encumbrance. This will significantly add to consumer protection and is modelled on a similar Victorian provision which has successfully operated in that State for some time.

Many members of Parliament are only too well aware of the problems in relation to the sale of goods and in particular motor vehicles, which comprise approximately 80 per cent of all current registrations under the Bills of Sales Act, by unscrupulous persons who do not have

good title. Invariably they act dishonestly and disappear, and the financial institution then repossesses the vehicle and the consumer is left without any recourse. This legislation will place a direct onus on holders of security interests to register their security interest or otherwise risk extinguishment of that interest. Consumers, dealers, and other interested parties will be able to telephone the Department of Consumer Affairs to ascertain very quickly if a security interest exists over motor vehicles. That information can then be confirmed in writing by way of a certificate. The Bill contains compensation provisions which can be invoked should there be an error or mistake on the register. The register will be open after normal working hours and the public will have access to it on Saturday until 1.00 pm. The register itself is contained in a new computer facility using software common to other States, and this will ultimately be linked in with a national system. In the future, therefore, the public will be able to establish quickly and efficiently if a security interest exists anywhere in Australia.

In addition, when an innocent purchaser acquires a vehicle from a licensed dealer or car market operator, there will be an absolute guarantee of title. The secured party will then have recourse against the dealer for any loss. The onus will therefore be on the dealer, who is in a position of knowledge in the industry, to check the register. It is an offence for the dealers to sell an encumbered vehicle, and if the finance company suffers loss as a result, the dealer can be sued at common law by the finance company.

Other provisions in the Bill deal with the problem of priorities of security interests and resolve an often complex and litigious problem. The Bill also has the potential, in the future, to apply to motor boats, aeroplanes, and other goods, and provide for their registration. The Bill is a further stage in the Government's reform of credit legislation and has notable advantages. It will be universally popular, being supported by consumers, the finance industry, and the motor vehicle dealers' industry, and will be ultimately self-funding. The introduction of this Bill is a further substantial step forward in consumer protection.

I commend the Bill to the House.

Debate adjourned, on motion by Hon Max Evans.

FAIR TRADING BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [7.43 pm]: On behalf of the Leader of the House, I move --

That the Bill be now read a second time.

This Bill brings to fruition an agreement reached in June 1983 at a meeting of Federal and State Ministers for Consumer Affairs that there should be uniform consumer protection legislation in Australia. Following the deliberations of a uniformity working party, Ministers agreed in September 1983 that the Commonwealth Trades Practices Act 1974 would provide the best basis for achieving uniformity, and that mirror legislation would be the most practical technique to implement uniformity.

Mirror provisions of the Trade Practices Act are needed because Commonwealth legislation only applies generally to corporations, and it is considered that such provisions are a model for consumer protection. They are already widely known and accepted by the business community.

The importance of this Bill cannot be overstated. The complexity of developing and implementing uniform legislation within a Federal system is well known, particularly when it is the States which pioneered the regulatory systems already in place. It is a tribute to the spirit of cooperation among the Labor Governments of Australia that uniform legislation has become a reality and not remained a pipedream.

Division 1 of part V of the Trade Practices Act deals with unfair practices. It contains a general prohibition of deceptive, misleading, or unconscionable business conduct, and

specific prohibitions of a range of unfair practices relating to, among others, advertising, referral selling, bait advertising, and unsolicited goods and services. In effect, it establishes a commercial code of good conduct. In over a decade of use, it has become well understood and accepted in the business community. Active enforcement through public and private litigation has resulted in a substantial body of case law which provides a high degree of certainty for business compliance.

The provisions relating to unfair practices make up the core of the uniform legislation. It was agreed among Ministers that inclusion of other provisions -- dealing with product safety and information standards, conditions and warranties in consumer transactions, and enforcement and remedies -- would be determined by individual States according to their needs.

Fair trading Acts now operate in Victoria, South Australia, and New South Wales. Significant amendments were made to the Trade Practices Act in 1986, and these are incorporated in the Bill presently before the House. Thus, the most populous States, and those with the most significant and well-managed economies, are party to the uniformity agreement; while the non-Labor States, although slow to acknowledge the enormous benefits to be derived from this measure, are now considering, weighing up, and analysing the pros and cons, and may one day join the mainstream and bestow the undoubted benefits of uniformity on their citizens.

The benefits of uniform law are many. Uniformity means less duplication and waste and thus reduces costs. It allows for a common policy on law enforcement, resulting in greater consistency and a more streamlined administration with clear distinction between national -- Commonwealth -- and local -- State -- issues. It provides opportunities for cooperative Commonwealth-State education and guidance programmes directed at consumers and business. There will be more certainty about the rights and obligations of both parties to a transaction.

I turn now to the provisions of the Western Australian Fair Trading Bill. I am conscious of the trust placed in this Government by the people of Western Australian to protect them against the unscrupulous, the unprincipled, and the bad elements of trade and commerce. At the same time, we must strive to encourage and be supportive of the majority of the business community who conduct their affairs in ways which conform to the Australian tradition of fair play. The policy of fair trading is a reflection of the Government's desire to maintain a balance between the legitimate interests of consumers and business in the marketplace.

It is no exaggeration to say that the Fair Trading Bill represents the most far-reaching and comprehensive reform of consumer law undertaken in this State since the Consumer Affairs Act was introduced in 1971. This Bill will bind the Crown where it engages in commercial activities, giving citizens remedies in respect of Government authorities as well as private businesses.

Part III of the Bill deals with conditions and warranties implied into consumer transactions. They are "mirror provisions" of those contained in the Commonwealth Trade Practices Act. They apply only to consumer transactions where the value of the goods is less than $40 000, or where the goods are acquired for personal, domestic, or household use, or the goods consist of a commercial vehicle. The Sale of Goods Act continues to apply to goods not falling within that category. These conditions relate to such matters as undertakings as to title, quiet possession, freedom from encumbrances, and goods matching description and samples. The same provisions relate to the provision of services.

Part IV contains an initiative which is not only innovative but also leads consumer protection legislation in a direction wholly suited to the 1980s environment. As all members are no doubt aware, recent developments in the health and fitness industry, and in particular that of the Laurie Potter group of companies, have seen a need for regulation and legislation in specific industry groups.

This Bill will provide for statutory recognition of appropriate codes of practice, with machinery for their enforcement. It acknowledges that detailed industry regulation can impose unnecessary burdens on honest businesses, and unnecessary barriers to competition in a free marketplace. On the other hand, the alternative most frequently suggested, self-regulation, also has deficiencies. While it reflects the desire of honest business to set and

operate within ethical standards, self-regulation, because of its voluntary nature, cannot bind all industry members or provide effective sanctions for noncompliance.

This Bill provides for a form of co-regulation. Codes of practice prepared with relevant industry, consumer, and Government involvement, provide a benchmark by which those operating in the industry can be publicly judged. If a code is approved by the Minister, it can be prescribed by regulation. Non-compliance with such a code is not a criminal offence at first, but can be dealt with through action taken by the Commissioner for Consumer Affairs. This means the commissioner can seek from a trader who is in breach of a code undertakings as to future conduct and action to rectify the consequences of past conduct.

If the trader refuses to give such an undertaking, the commissioner may commence proceedings in the Commercial Tribunal for an order in similar terms. If an undertaking or order is breached, the commissioner can prosecute the trader with maximum fines of $10 000. Where prosecution proceedings are not commenced, the chairman of the tribunal has contempt powers for breach of an order. There is also power to apply to the District Court or Supreme Court to obtain an injunction to prevent the code of practice being breached and any other remedial orders that may be appropriate, such as, among others, declaring a contract void, varying a contract, refusing to enforce a contract, directing refund of moneys, payment of compensation, and supply of services.

This proposal is co-regulatory in nature because of the high degree of consultation involved in the development and implementation of codes of practice, and the participation of industry and consumer interests in the enforcement process. Traders who flout the code and the commissioner's request for undertakings will be judged in part by their peers, as the Commercial Tribunal consists of a panel of chairperson, industry representative, and consumer representative. A right of appeal will lie to the Supreme Court from a decision of the Commercial Tribunal on a question of law.

Part V of the Bill deals with consumer product safety. It reproduces some existing powers under the Consumer Affairs Act to make regulations setting safety standards for goods -- such as motorcycle helmets and children's night clothes -- and to ban or restrict the supply of unsafe goods. Although not part of the uniformity agreement, provisions relating to consumer product safety standards will be modelled on those in the Trade Practices Act, thus facilitating industry compliance and access to product safety information.

A new initiative is the scheme for the recall of unsafe products. This provides that suppliers who voluntarily recall consumer products for safety-related reasons must notify Government authorities within two days of the recall. There is a reserve power of mandatory recall if the voluntary measures are unsatisfactory. The ability to ensure recall of dangerous products is an important adjunct to their banning, and Western Australia is pleased to adopt some of the Trade Practices Act provisions in order to prevent any loopholes in the operation of the scheme nationally. This is no draconian system; it relies in the first instance on the goodwill of business to act in the public interest by establishing effective recall codes. There is ample evidence throughout the mainstream of Australian business of major advances in the establishment of recall systems. Western Australia will continue to assist and encourage this development.

Part VI of the Bill proposes the adoption of the provisions of the Trade Practices Act which permit the making of regulations prescribing standards necessary to give those using consumer goods information about the quantity, quality, nature, or value of those goods. These product information quality and packaging standards are the modern equivalent of some existing legislation. In Western Australia, the existing legislation covers, among other matters, footwear, furniture, clothes, and fabric labelling. Apart from the benefits of modernisation and simplification of these longstanding provisions, industry will be assisted by having complementary Commonwealth and State regulations expressed in similar terminology.

The uniform provisions of the Bill are contained in part II -- fair trading -- and part VII -- enforcement and remedies. The central feature is the prohibition, in trade or commerce, of deceptive or misleading conduct. This is a new concept for Western Australia. It establishes a code of good business conduct, rather than a specific offence; breaches of the code have civil, but not criminal, consequences which apply equally to commercial and consumer transactions.

A second feature is the prohibition of unconscionable conduct. This provision is aimed at conduct which is clearly unfair or unreasonable but may not be deceptive or misleading. This permits the court to grant relief in respect of consumer contracts which are unjust, unconscionable, harsh, or oppressive. At the heart of the concept of unconscionability is the acknowledgment that parties to a transaction are not always of equal bargaining strength. One party may be in a position to impose unfair conditions through, for example, high pressure selling tactics or because the other party lacks the mental capacity to make an informed decision. This provision applies only to conduct in connection with the supply of goods or services of a kind ordinarily acquired for personal, domestic, or household use or consumption. A breach gives rise to civil, not criminal, consequences.

The remainder of part II creates a series of offences for specific unfair business practices. A number of these practices are already prohibited in Western Australia, and adoption of the uniform provisions will allow the repeal of the Trade Descriptions and False Advertisements Act, the Pyramid Sales Schemes Act, and the Unsolicited Goods and Services Act. New offences are created for misleading statements about home-based businesses; making statements about price which omit the full cash price; offering gifts and prizes without intending to provide them; accepting payment for goods or services without intending, or being able, to supply them; using harassment or coercion against consumers; and sending unsolicited debit or credit cards to a person.

Part VII deals with enforcement and remedies. It creates offences and permits the seeking of civil remedies where a person contravenes or aids and abets the contravention of the legislation. In conformity with the Trade Practices Act, any member of the community is entitled to seek an injunction from the Supreme Court or the District Court to restrain a breach of the legislation. If loss or damage is suffered as a result of a breach, any person may sue for damages, or seek orders for compensation from that court. In addition, the Minister or commissioner may seek compensation orders on behalf of identified consumers who have suffered loss or damage as a result of a contravention of the Act.

The Bill permits only the Minister or commissioner to seek from the Supreme or District Court orders for corrective advertising; or an order to freeze the assets of a person against whom proceedings have been commenced if there is a real danger that consumers' funds otherwise will be dissipated. Too often in the past the effectiveness of even the most speedy action to restrain cheating was liable to be defeated by a shady business operator transferring his or her assets outside Australia, or into someone else's name, or by otherwise hiding them. Proceedings for offences may be taken only by the commissioner. The Bill specifies a range of penalties. Serious offences may be prosecuted in the District and Supreme Courts and attract maximum penalties of $20 000 for an individual and $100 000 for a corporation. These penalties -- which I repeat are maximums -- are uniform with the Trade Practices Act and will ensure consistency between Commonwealth and State when dealing with similar offences.

Less serious offences will be prosecuted in the Court of Petty Sessions, where the maximum penalty is $6 000. The Bill also provides for prescribed minor offences to be dealt with by way of "on-the-spot" fines. These will be applied only where there can be no doubt that an offence has been committed and will streamline enforcement of minor breaches. The type of offence could be supplying goods without a care label or date stamp attached, or supplying goods which are subject to a product safety banning order.

During the term of this Government, many achievements and benefits have resulted from the decision to give high priority to consumer protection. This Government is committed to the protection of the physical and economic interest of consumers. Consumers, however, represent only one side of the marketing equation. The policy of fair trading embodied in the Fair Trading Bill recognises that both sides benefit from fair competition in the marketplace. There are compelling efficiency and equity arguments in favour of the vigorous pursuit of a fair trading policy.

I have spoken at some length about the benefits of the uniform aspects of this legislation. It has many other benefits. It establishes one common commercial code, then through the codes of practice mechanism provides for special rules to facilitate fair dealing and avoid particular problems in specific industries. It provides effective remedies for all citizens and streamlined enforcement procedures which emphasise the need to stop unfair practices

before they cause substantial loss. It safeguards the interest of the economically vulnerable, both consumer and small business, by providing opportunities for redress and ensuring they receive the accurate information they need to make informed choices in the marketplace.

I commend the Bill to the House.

Debate adjourned, on motion by Hon P.G. Pendal.

SOLAR ENERGY RESEARCH AMENDMENT BILL
MINERALS AND ENERGY RESEARCH BILL

Cognate Debate

Leave granted for the second readings of the Bills to be debated cognately.

Second Readings

Debate resumed from 25 November.

HON P.H. LOCKYER (Lower North) [8.01 pm]: These Bills are very important. The Solar Energy Research Amendment Bill allows for experimentation in solar energy with which we agree. It is no secret that, by the turn of the century, we will be required to be more self-sufficient in solar energy than we are now. The Solar Energy Research Institute will look at ways for using solar energy.

I believe that, in the past, not enough attention has been paid to solar energy. It is interesting that famous people, such as John Sanders, who is at the moment attempting the last circumnavigation of a triple circumnavigation of the earth by sea has relied heavily on the use of solar energy, particularly in communications as he did during his double circumnavigation of the world. It is also interesting that Telecom Australia is relying more and more on solar energy to supply telecommunications to the more remote regions of this State, including the pastoral, iron ore and the Kimberley regions.

I believe that solar-powered air-conditioning, a thing of the future, will be welcomed in those remote areas and it is for those reasons that we support these Bills.

HON J.N. CALDWELL (South) [8.05 pm]: The National Party supports these Bills. The Solar Energy Research Amendment Bill provides for the appointment of a person to carry out functions similar to those of a company director. That person will replace the existing board of directors.

Solar energy is a thing of the future and will be welcomed by farmers, especially in supplying electricity for electric fencing to keep bulls away from cows when they are supposed to be kept apart. Of course, when they are not supposed to be kept apart, the electricity can be turned off.

Will the Leader of the House give me some example of the way financial assistance can be given to solar research under clause 5 of the Minerals and Energy Research Bill? I am sure many people will be interested in his reply. I know of two gentlemen in Albany who have immigrated from the United States and who are very interested in promoting solar research.

With those few comments, the National Party supports the Bill.

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [8.07 pm]: I thank members for their indications of support. Hon John Caldwell asked for examples of the way in which research grants might be made available. I do not have any details of the technical structure of this grant process, but will ensure that the member is advised direct.

Questions put and passed.

Bills read a second time.

SOLAR ENERGY RESEARCH AMENDMENT BILL

In Committee, etc

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Leader of the House), and passed.

MINERALS AND ENERGY RESEARCH BILL

In Committee

The Chairman of Committees (Hon D.J. Wordsworth) in the Chair; Hon J.M. Berinson (Leader of the House) in charge of the Bill.

Clauses 1 to 39 put and passed.

Clause 40: Review of Act --

Hon N.F. MOORE: I want to make a comment for the record with regard to this review clause. In recent times the Government has been including these review clauses in certain legislation when setting up new statutory authorities. The clause provides that the Minister shall carry out a review of the effectiveness of the operation of the board in this case. Clause 40 requires the Minister to prepare a report, based upon his review, and to table it in both Houses of Parliament.

Although that is a step in the right direction, in my view it should be taken further; these reviews should be undertaken by a parliamentary committee rather than by the Minister. When a Minister reviews a statutory authority under his control, it is like Caesar reviewing the operations of Caesar; there is a temptation for the agency not to be reviewed as it should be. I argue the point on this occasion without seeking to amend the clause. The Government has done the right thing by going this far, but I hope it will consider the view of some members that it should go to the next step and require that new statutory authorities be reviewed by the Standing Committee on Government Agencies, which is the appropriate body to which to refer these matters. I am not criticising the Government, because it has done more than previous Governments have in this regard, but I hope that one day such legislation will include the requirement that the Standing Committee on Government Agencies shall carry out a review of the operations of the agency and report to Parliament on its findings.

Hon J.M. BERINSON: That is a reasonable comment in principle, but I wonder whether it is necessary to specify in legislation that the Standing Committee on Government Agencies should review bodies of this kind. I understand that the Standing Committee is able to activate itself if it wishes. I am not saying that the Government should not look further into the suggestion made by Hon Norman Moore, but it could well be the case that the Standing Committee will pay attention to the new bodies being created and set itself some guideline for review for its own purposes.

Hon N.F. MOORE: The Leader of the House is correct again in the sense that the Standing Committee can initiate its own review, and on some occasions it has done that. He may recall on a couple of occasions that this Chamber has referred Bills to the Standing Committee to ascertain whether the structure of the new authorities follow the guidelines set down by the Standing Committee for the formulation of Government agencies.

However, I would be happy if it were stated that the review should be carried out by a parliamentary committee. The review of the operations of agencies should not be in the hands of the Minister in charge of that operation. He has a vested interest that Parliament probably does not have. I would prefer the reviews to be carried out by a parliamentary committee, and in view of our structure, the most appropriate committee is the Standing Committee on Government Agencies, which the Leader of the House was involved in formulating.

Clause put and passed.

Clauses 41 to 46 put and passed.

Schedules 1 and 2 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Leader of the House), and passed.

CRIMINAL CODE AMENDMENT BILL (No 2)

Second Reading

Debate resumed from 24 November.

HON JOHN WILLIAMS (Metropolitan) [8.17 pm]: It is always with trepidation that I reply to a Bill such as this knowing that the Attorney General is the first law officer in the State and also a gold medallist at law.

The Opposition will support this Bill, including the amendments which are a tidying up of the drafting. I was fascinated when I read of the items in the Bill to be considered; that is, incitement, attempts, conspiracy, accessories after the fact, and attempting to pervert justice. It is a foible of mine, but I honestly believe that if it were not for the inadequacy of members of Parliament in expressing themselves in the English language, there would not be so many lawyers downtown trying to interpret the legislation. The legislation has to be interpreted in courts and there are arguments about whether full stops and commas should be in one place or another. I crave the indulgence of the Attorney General for a short time while I discuss some of the things I discovered in my research -- in my own rather novice way compared to a practising lawyer -- on this Bill.

I was fascinated to read some of the definitions. Of course, it is necessary, and the Bill provides for it, that these definitions or the crimes that go under these definitions be tightened up. The Criminal Code, which was first enacted in 1913, leaves some room for improvement. Indeed, Mr Michael Murray, QC, has spent between three and four years attempting to bring it up to date. I am amused that some of the definitions have never altered; we have altered them. The definition of "incitement" in the *Oxford Companion to Law* states --

> The common law crime of persuading and encouraging another to commit a crime. The crime may be of any kind and it is irrelevant that it is impossible of commission. Mere knowledge of the other's intent to commit a crime is not enough. One may even incite another to attempt to commit crime. If the crime incited is actually committed, the person who incited is guilty as a participant. Incitement to violence against the law and institutions of the State or against a section of the community is the main element of the crime of sedition. Incitement to disaffection is the offence of maliciously endeavouring to seduce a member of the forces from his duty or allegiance to the Crown. Incitement to racial hatred is the offence of publicly or by publication communicating ideas likely to cause breach of the peace.

That is a very adequate definition of incitement. It comes into operation in this Bill to become an indictable offence, and rightly so. The Attorney General very kindly pointed out a good example of that, and one which is prevalent unfortunately in society today; that is, the crime of pack rape. When one reads through law journals and evidence submitted in courts, it may be seen one person not committing the act of rape himself can actually incite those who are under the influence of either himself or some noxious substance, alcohol or drugs, and walk off scot free. This section will ensure that does not happen, and I commend the Bill for that.

The next definition which we are offered is "attempt". Attempt has many definitions, both in the *Oxford Companion to Law* and in a volume called *Words and Phrases Legally Defined*; but I find the best definition in the latter volume. Page 28 of that publication reads --

> There is a great deal of authority relating to what does and what does not constitute an attempt to commit an offence. It is, however, necessary only to refer to R. v Eagleton 1855 in which Parke B. in a celebrated passage lays down the guiding principle in deciding whether or not an attempt has been made. "The mere intention to commit a misdemeanour is not criminal, some act is required; and we do not think that all acts towards committing a misdemeanour are indictable. Acts remotely leading towards the commission of the offence are not to be considered as attempts to commit it; but acts immediately connected with it are . . ." It follows that mere

> preparatory steps towards committing a crime do not constitute an attempt. An attempt consists in addition to a guilty intention, of an overt act or series of acts which if not interrupted would have constituted the actual commission of the complete offence.

That view was given by Lord Salmon in the case of Director of Public Prosecutions v Stonehouse in 1977, at page 925 in the House of Lords.

I will not read the other definitions of attempt but I find that the English in 1855 is crisp, concise, and tells a layman what an attempt in criminal law is. The present definition in section 4 of the Criminal Code is too cumbersome and tends to make the task of the jury difficult. The definition contained in this Bill makes the word "attempt" understandable for the laymen in this House. I commend that part of the Bill to the House because it has taken the model of the UK criminal law and no doubt was built on several of those learned judges and members of the House of Lords -- without the legalistic jingo, making it understandable, and in ordinary common English usage.

The next definition in the Bill is that of conspiracy. The second reading speech pointed out that there are many specific conspiracy offences but no complete generic term of conspiracy as a whole. The Bill seeks to rationalise the provisions relating to conspiracy. A definition in the *Oxford Companion to Law* at pages 275 to 276, is a long one and I will not read it. The definition of conspiracy contained in the *Australian Legal Dictionary* at page 55 reads --

> An agreement between two or or more persons to create an unlawful situation either by agreeing to perform an unlawful act or to perform a lawful act by unlawful means.
>
> Conspiracy is a criminal offence at common law. The *mens rea* of conspiracy is the intention to enter the agreement, and the *actus reus* the agreement itself.
>
> Conspiracy is a separate crime and may be charged whether or not the object of the agreement has been performed. Thus if A and B agree to kill Z they may both be charged with conspiracy regardless of whether Z has been murdered. If of course they succeeded in murdering Z they would be charged with the additional crime of murder.
>
> As a general rule anyone who can be convicted of a criminal offence may equally be convicted of conspiracy. However, there is one major exception; at common law there could be no conspiracy between a husband and his wife. This general rule has been preserved by S.339(2) of the Crimes Act 1958 (Vic) in Victoria subject to the limited exception that a married person is not immune from criminal prosecution for conspriracy to either commit treason or murder.
>
> A person who commits conspiracy is referred to as a "conspirator" and each party to a conspiracy as a "co-conspirator". Co-conspirators may be tried jointly or separately. If tried together, they must both be convicted or acquitted. If tried in separate trials different verdicts may be given.

In this Bill we have followed that Victorian idea in rationalising the present provisions and agreeing that the offence, if committed, carries a maximum 14 years' imprisonment. Trade disputes is to be repealed because that conspiracy does not relate to conduct which in itself is an offence. Therefore, it will follow that the other provision which prevents a punishable conspiracy being performed between husband and wife will also be repealed.

Another term used in the Bill is "accessory" or "accessory after the fact". *Words and Phrases Legally Defined*, at page 14 reads --

> The law draws a distinction between principals in the first degree, principals in the second degree, and accessories -- the latter being persons who aid or abet the principal offender in the commission of the offence, before or after.

That is taken from law volumes in New South Wales in a case Stacey v Whitehurst 1865. These definitions were given in 1865, but we did not take much notice in 1913 as it has now become necessary to make these amendments. This volume then goes on to mention accessories after the fact.

The interesting thing is that the provisions relating to accessory after the fact are amalgamated into one and penalties are provided that are similar to those for incitement and

attempts to incite. The other parts of the Bill before one reaches the final definition are interesting; they are a great step forward in relation to indictable offences, incitement, attempt, conspiracy and being an accessory after the fact, which may be tried summarily before a magistrate rather than as they are now having by law to be transferred to the District Court.

We know the pressure that is on the courts and some parts of this Bill go a long way towards removing that pressure from the District Court by having a lot of these offences tried at the summary jurisdiction level. In conjunction with that, part III of the Bill also comes to the fore by removing the limit on property offences, which was fixed some time ago at $500. Because of the rate of natural inflation, the second reading speech pointed out that this is no longer a realistic amount and recommends -- which we support -- that the jurisdiction limit be raised to $4 000.

The present limit for people convicted of an indictable property offence is to be strengthened from a penalty of six months or a $500 fine to 18 months or a $6 000 fine. I stand open to correction, but I believe that if a magistrate feels that a sentence he can impose is not sufficient there is another delay because he refers the matter to the District Court for sentencing, which takes more time. Under this Bill a magistrate will be able to impose a sentence of up to 18 months or a fine of $6 000. I applaud the commonsense in the Bill which, if it passes and is enacted, will allow in the case of some people who commit property offences an answer that is not incarceration for goodness knows how long, or probation or parole, but hitting them in the nerve pocket -- the hip pocket. Once such people are fined, and they are made to pay, they are not likely to offend so readily next time.

It is also possible that a person may elect to be dealt with by a court of summary jurisdiction if they plead guilty and can have their sentence over and done with quickly. Delays in our courts because of items such as this are sometimes almost as bad as the sentence imposed at a later stage. A person could be tried after three or four months and then there might be another three to four months before sentence is handed down. This Bill goes a long way towards speeding up this process.

The final provision contained in this Bill relates to the fact that at the moment in the definition of theft where a person is charged with theft of property worth less than $400 they can go to the District Court for a jury trial. If one looks at the value of some of the popular items stolen, if I can term them that way -- items such as video recorders and cameras, the sorts of things that people buy each other for presents from time to time -- one has to go through the whole paraphernalia of the District Court when it is not worth it and when a magistrate in a court of summary jurisdiction can deal with such minor thefts.

A matter of no concern to me which should be mentioned is that there can be no justification for people thieving, but there can be every justification for having them dealt with speedily, and that is what the Bill sets out to do. When the pressure is removed from the District Court and the Supreme Court people will see that the Government is serious about combating crime in the quickest possible way.

Part IV of the Bill relates to attempting to pervert justice. I will not quote from Halsbury's *Laws of England* in relation to obstructing the course of justice, nor from any other document that I have here. However, I point out that it was considered to be a serious offence back as far as 1760, which is the first reference I have to perverting the course of justice and which occurred in the reign of George II, when definitions were given of "obstructing the course of justice". There is no doubt, and one reads about this in the Press, that people who commit offences sometimes try to pervert the course of justice by threatening the people concerned. Under the present Criminal Code it is a difficult thing to prove. The second reading speech quotes the example of a 15 year-old female who complained in a serious case of sexual assault that she was assaulted and severely threatened by an associate of the person who was charged. Section 143 was the only one under which a charge was available, except for a charge of common assault for which the maximum penalty is two years. Members can imagine somebody intimidating or threatening another person and actually carrying out an assault on a witness and just what would be the state of that witness when they came to give evidence.

In its concluding paragraph the second reading speech sums matters up in a way that I echo and support when it says that the amendments to the Criminal Code proposed in the Bill are

important as another significant step in improving the code and the administration of the criminal court. If one has time to pass through the courts of criminal law one can see the extraordinary pressure applied to everyone involved with court work and can see the interminable queues and lists. This Bill goes forward with my blessing and that of the Opposition if it only reduces that awful waiting time faced by those waiting for someone to pronounce judgment upon them.

We support the Bill.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Hon D.J. Wordsworth) in the Chair; Hon J.M. Berinson (Attorney General) in charge of the Bill.

Clauses 1 to 18 put and passed.

Clause 19: Section 426 repealed and sections 426 and 426A substituted --

Hon J.M. BERINSON: I move an amendment --

Page 11, lines 25 and 29 -- To insert after "convicted" the following --

on indictment

Hon JOHN WILLIAMS: I thank the Attorney General for the copy of the amendments, which are drafting amendments. He knows my hatred for a Bill's being introduced and then having amendments made to it after it has been introduced or read a second time, when sometimes we get seven or eight pages of amendments. The Attorney General has had the courtesy to give me an explanation and on that basis, and on reading the amendments, they are quite acceptable.

Hon J.M. BERINSON: I think I should indicate for the record the reasons for this amendment. Before doing that, Mr Chairman, could I say that I did not reply to the second reading debate, as you would have noted, but if I could seek your indulgence to kill two birds with one stone on this clause I would like to thank Hon John Williams for his interest in this Bill and, indeed, all matters associated with the code and the law and administration of justice. He provided a helpful summary and a very supportive one, and I express my appreciation of the interest which he continues to show in this area.

This amendment relates to the requirement to insert the words "on indictment" into subsections (3) and (4) of proposed section 426. This is a drafting amendment to make more explicit the meaning of those subsections; namely, that there is a limitation on the penalty that may be imposed on summary conviction in cases where the maximum penalty that could have been imposed upon conviction on indictment is less than three years' imprisonment.

Amendment put and passed.

Hon J.M. BERINSON: I move the following further amendments --

Page 12, line 15 -- To insert after "and" the following --

, subject to subsections (3) and (4),

Page 12, after line 29 -- To insert the following lines --

(3) If the greatest term of imprisonment to which an offender convicted on indictment of an offence mentioned in subsection (1) is liable does not exceed one year the person charged is liable upon summary conviction to imprisonment for 6 months, or to a fine of $2 000.

(4) If the greatest term of imprisonment to which an offender convicted on indictment of an offence mentioned in subsection (1) is liable does not exceed 2 years the person charged is liable upon summary conviction to imprisonment for 12 months, or to a fine of $4 000.

Proposed new subsections (3) and (4) of section 426A are similar to subsections (3) and (4) of proposed section 426. Sections 386, 387, 389, and 413 of the Criminal Code, referred to in proposed section 426A(1)(b), are offences in respect of which the maximum penalty that

could be imposed upon conviction on indictment is less than three years' imprisonment. The proposed new subsections will, like subsections (3) and (4) of section 426, limit the penalty in those cases that may be imposed on summary conviction.

Amendments put and passed.

Clause, as amended, put and passed.

Clauses 20 to 26 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Attorney General), and transmitted to the Assembly.

FREMANTLE PORT AUTHORITY AMENDMENT BILL

Second Reading

Debate resumed from 25 November.

HON D.J. WORDSWORTH (South) [8.47 pm]: This Bill to amend the Fremantle Port Authority Act concerns the casual work force at Fremantle, the registered ship painters and dockers. They are responsible for cleaning holds, securing cargoes, painting, rigging, and sandblasting on the various ships that enter the port. I believe also, although it is not mentioned in the second reading speech, that the same painters and dockers are responsible for work on the slipway in the Fremantle port. Whether or not that is so is not of great significance to the Bill.

In all other ports in Australia, this work is carried out by true casuals; in other words, it is done by contract where a ship requiring the services of people to clean holds and so on do so by employing a company to do the job, and that company has on staff painters and dockers. However, rather than having companies which employ casuals to do the work, the Fremantle Port Authority has the task of coordinating the activities of the registered casual ship painters and dockers. It guarantees them a wage and the cost of their services is charged by the Fremantle Port Authority to all ships they work on by way of a levy imposed on a tonnage and hourly basis. I point out that Stateships employs its own painters and dockers.

In this way it is said a permanent pool of painters and dockers is available for ships which require their services. Not all ships need them, and that is the reason an overall charge on tonnage is proposed, in order to try to make every ship that enters accept responsibility for having men standing by in case they should want them. In fact, the port authority is responsible not only for funding these members of the union and financing their work, but also for keeping five separate accounts.

Part of this Bill makes provision for all these accounts to be put together because it is inconvenient to keep them separately. The various things which are kept separately at present are an account out of which is paid attendance money; an account to give them a guarantee of earnings; a leave account; and a long service leave account. The situation has arisen where the account out of which attendance money is paid has a deficit in excess of $80 000. I do not have the exact amount, but the Fremantle Port Authority puts out statements and the latest one I have is for 31 August 1987. At that date the account was overdrawn by $85 346. The Government has an agreement whereby it will guarantee an overdraft of $80 000, so that account is already overdrawn and this is adding to the concern of the port authority.

Of the other accounts, the guarantee of earnings account had a credit of $79 182; the leave account $92 030.87; and the long service leave account contained $65 739.02. Only one account was overdrawn and the other three were standing in good stead with credits of about $250 000. It is suggested that if these accounts were amalgamated, it would help alleviate the difficulties. I do not believe that would be a very sensible approach. I understand from those responsible for keeping the accounts that the credits in the accounts cover the liabilities

they are intended to cover. In other words, there is owing to members of the union who are painters and dockers long service leave of $65 000 and normal leave totalling $92 000. I do not think it would be wise to amalgamate these accounts because there are responsibilities in the various divisions. Anyone running a business has to keep separate accounts, and we would be covering up the problem by amalgamating these accounts.

When I was Minister for Transport, there were more than 100 ship painters and dockers, and I was responsible for some of the initial negotiations with the union. I think I negotiated with Mr Bill Woods for a reduction in the number of painters and dockers who were on stand-by, and we were able to arrange for the retirement of quite a few members. Some were given golden handshakes to leave the industry. We got the membership down to about 80, if I remember correctly, and in Hon Cyril Rushton's time as Minister for Transport the numbers were reduced to the 50s. Now we read in the second reading speech that the strength is down to 35, but there are probably only 31 men who are involved. It must be noted, however, that while the Minister is trying to get the numbers down, as did previous Ministers, and has indicated he would like to see them reduced considerably, it is rather disquieting that there was an increase in the numbers a couple of years ago. That is rather sad. I am not sure of the reason; the Government suddenly lost heart in its efforts to reduce the numbers of painters and dockers, and put on an extra six members. It is suggested that the cost of employing those six extra members is $170 000 per annum. The Chamber of Shipping wrote to the Minister and expressed its concern that these people had been put on.

At one stage it appears we were going backwards in our efforts to reduce the number of men available. One must have some idea of how often the 35 painters and dockers are employed. Unfortunately, it appears that there is not a great deal of work for them, although, on the odd occasion, there are not enough men to carry out the work that is necessary at the port. The employment figures for August 1987 show that only 8.28 per cent of the men were employed. One could only assume that the other workers were unemployed. As it happened, it was not quite like that. Approximately 8.28 per cent were employed and 68.98 per cent were unemployed. There were 1.4 per cent on sick leave, 2.7 per cent on workers' compensation, and 1.2 per cent on annual leave. There is also a category termed "special". Nevertheless, one can ascertain from those figures that about 89 per cent of the registered casual ship painters and dockers were not employed during the month of August this year. August appears to be a fairly bad month; in June the figure was 20.42 per cent and in July it was 11 per cent.

Of the 35 employees on the books there are, in real terms, only 29 employees when one takes into account sick leave, etc. Nevertheless, the ships entering the port are faced with added costs for labour in the vicinity of $330 000 per annum. It might be easy to say, "Let us combine these accounts and put an extra charge on the shipping coming into the port so we can reduce the number of employees and everything will be okay." We were of this opinion when there were 100 painters and dockers. We always thought that when that number was reduced, a better economic situation would prevail and that the time would come when people wanted to use that sort of labour. It has not happened.

It appears that maintenance of ships is done in the home port and that it is avoided at the Port of Fremantle because of the high costs involved. Regrettably, it could be said that the union tries to get a little bit of work for its members. While a Commonwealth Government department inspects the visiting ships for cleanliness and safety, one often finds the union inflicts on the owner of the ship additional work requirements. In many cases it is not a fair practice and, indeed, the Costigan report on painters and dockers --

Hon Garry Kelly: Not at Fremantle. Let's be fair about it.

Hon D.J. WORDSWORTH: I cannot say whether the Costigan inquiry investigated the Port of Fremantle, but I would be surprised if it did not. It certainly investigated painters and dockers and some of their activities. I am not in a position to say whether its investigations included the Port of Fremantle, because I do not have a copy of the report. However, it did report on the activities of painters and dockers and the way in which they obtain work. It seems that often the painters and dockers will point out to other members of their union that something is wrong with a ship. For example, the union which manages the tugboat operators will say that its members will not carry out work on a particular ship unless the necessary cleaning requirements, as requested by the painters and dockers, are carried out.

Members in this House will have read in the newspaper, only in the last couple of days, about a vessel that is held up by the painters and dockers at Kwinana. It is an Indian vessel and the painters and dockers claim it is a rust bucket.

Hon Garry Kelly: It is probably quite true.

Hon D.J. WORDSWORTH: Members would realise that crew members are excluded from undertaking the required work. It really is a way in which the painters and dockers manage to obtain work for themselves despite the fact that a Commonwealth department inspected the ship and declared it to be okay.

One of the difficulties the Opposition has in agreeing with this legislation is the various arguments which arise over work practices and the like. Not only have numerous strikes been precipitated, but also the work practices that have arisen are, in many ways, very doubtful. Today in this House we heard about the work practices in the iron ore industry. One would have to say that worse work practices have occurred in our ports. There should be a complete review of the work practices of painters and dockers before one could agree to this legislation.

If we agree with the general principle of introducing the tonnage levy, it will not encourage ships to come into our ports. We have already seen a 20 per cent decline in shipping at Fremantle in the last 10 years, in spite of the fact that our exports have increased. At present Australia is going through a difficult period and it must do everything within its power to further increase its exports.

What is happening at our ports is far from encouraging. Not only do we have strikes taking place quite regularly, but we are now imposing additional levies. It is estimated that at the current funding levels the levies would be approximately $6.95 per man hour, with tonnage levies of 1.2c on grain, bulk ships, and tankers; 0.08c on container ships; 0.66c on mixed general and container cargo; 0.17c on general cargo and others; and 0.41c for tuna boats. These charges are considerable. If Fremantle is to compete with other ports, it cannot have these costs in addition to normal port charges.

Other States have a successful system whereby work is done by the same unions under a private enterprise system, rather than the Government being responsible for employing a given number of employees. I say the Government, because it must be considered to be doing that when it is the port authority which is responsible. This situation is not acceptable to the Opposition.

The Minister has indicated that he is halfway through negotiations with the unions. He has made an offer to the unions whereby 10 workers could be redeployed or retired, thus bringing the number down to 19. We believe those 19 members could then be dealt with in the same way as in other ports in Australia. We do not have the same problem in our out ports in Western Australia, and yet there is as great a need at times for ships to be cleaned and what have you.

Current work practices need to be corrected. Some of them are quite frightening; for example, the way in which no work is done on a ship on a Saturday afternoon or evening shift, but workers will agree to work after midnight providing they are paid triple time. Another problem is that each gang has to have an extra foreman and an extra man. If a gang does not have those men, they take it in turns to go to the toilet, or find some other reason to stand down, and when there is one man less in the gang they all knock off.

The practice has been that the men are paid on the wharf. When the van comes round to pay them they knock off and line up for their pay. That does not sound too bad, but someone is paying for them to collect their wages. These problems must be overcome. Perhaps the wages could be paid into bank accounts. Something simpler must be done. Every excuse is used by waterside workers to knock off or demand extra rates. Perhaps I should not refer to watersiders, because I am referring to the painters and dockers, and that includes the securing of cargo.

I will not elaborate further on work practices. I am explaining our difficulty in agreeing to this Bill. I do not think it is the answer. We have nearly gone as far as we can towards a reduction in the numbers of painters and dockers. It would be far wiser to reconsider the whole matter. The Minister in another place indicated this himself when he said that there are four or five Federal inquiries in this field looking for solutions. He has already offered a solution whereby the numbers could be reduced by 10.

The Minister is quick to point out, and I cannot disagree with him, that there will always be a need for painters and dockers. It is wise that they should be employed on a true casual basis, calling on private companies to supply the labour when required, because the private companies can use the same men for other purposes when they are not required on the waterfront.

HON GARRY KELLY (South Metropolitan) [9.17 pm]: I support the Bill, and wish to take up a few points which Hon. D.J. Wordsworth made during his speech. The most telling point was made at the conclusion when he said that everyone would concede that there will always be a need for ship painters and dockers to be available at the Port of Fremantle.

Hon Kay Hallahan: There is consensus about that.

Hon GARRY KELLY: There is consensus that there is a need for that labour. A task force was set up to investigate the method of funding the ship painters and dockers at Fremantle. Although the task force could not reach a unanimous conclusion as to what should be done it was agreed -- and the Australian Chamber of Shipping is on record as agreeing too -- that there is a need for a pool of painters and dockers at the Port of Fremantle.

Once it is agreed that there is a need for painters and dockers at Fremantle, the question arises of how to fund them. Hon D.J. Wordsworth proposed that ideally the work force should work for private enterprise, as in other ports, and be hired on a casual basis as the need arises. That is all very well in an ideal situation, but in Fremantle we are confronted with an historical situation which is not ideal. There is a pool of labour of the order of 35.

Hon W.N. Stretch: Eighty per cent unemployed. Is that right? Are those figures right?

Hon GARRY KELLY: We heard the figures which Hon D.J. Wordsworth quoted to the House --

Hon W.N. Stretch: You are a local member, and I wondered if you agreed.

Hon GARRY KELLY: It is substantially accurate. This is the nub of the problem. We need a pool of workers, but the work force is not being utilised.

Hon G.E. Masters: Why not put it out to contract?

Hon GARRY KELLY: The reason this Bill has been introduced is to increase the utilisation of that work force.

Hon E.J. Charlton: They have all got jobs now.

Hon GARRY KELLY: If the work force can be utilised to the optimum level, the pressure on the funds that have been established would be reduced, and the need for the huge pay-outs in terms of man hour subsidy would be reduced.

Hon G.E. Masters: Why are they not being used to optimum level?

Hon GARRY KELLY: Because we have this pool of casual labour, and we have to pay for their hourly rates, sick leave and long service leave.

Hon G.E. Masters: Why are they not fully employed?

Hon GARRY KELLY: Because there is a disincentive for them to be used because the hourly charge-out rate is so high that it is prohibitive. The ships that come into Fremantle only use the pool to do essential work.

Hon G.E. Masters: Would they not think twice about using the port?

Hon GARRY KELLY: They do not use it to do optional work; it is only used for essential work. If I was a shipowner, I would do the same thing. If someone is to be charged an horrendous hourly rate to have work done on a ship, he will have only that work done which is essential in order to make that ship safe to continue its voyage.

Hon G.E. Masters: Why not pay them all off or have contract labour?

Hon GARRY KELLY: Because there is a need for that labour.

Hon G.E. Masters: Why not have a contractor standing by?

Hon GARRY KELLY: How will that happen overnight? Historically we have the situation where we have this pool, which we all agree is required; and it would be impossible to change overnight to a contract system.

As I said, the aim of this Bill is to increase the utilisation of the work force. I would like to take up one point made by Hon D.J. Wordsworth, which is that this Bill will levy an extra charge on ships owners. I think the Minister made it quite clear in his second reading speech that this is not an extra charge; it is an alternative charge. The idea is to charge a levy, and it is not a levy which will apply to all ships coming into the port; it will be proportionate on the various class of ships, depending on what their likely usage of the pool of labour will be. So there will be a sliding scale of levy, and by applying that levy the charge-out rate for the labour will be reduced. If the charge-out rate is reduced, the probability is that the utilisation of the work force will be increased because it will be more reasonable for the ships owners to pay for work to be done.

If we accept the proposition that we need this pool of labour in Fremantle -- as I think most members do -- then that pool has to be paid for, and the equitable way of paying for it is to apply the levy so that the cost is spread over a large number of users and then the charge-out rate paid by the individual ship's owner is reduced accordingly. The figures for the levy quoted by Hon D.J. Wordsworth were fairly low, and if the utilisation rate increased, as would be anticipated by this Bill, those levy rates would substantially remain at that low level. I think most of us would agree that we need to maintain the skills of this work force at Fremantle, which currently is comprised of the ships painters and dockers.

Hon W.N. Stretch: You can always call on the member for Welshpool if you are short, because he said he was one of them for two years.

Hon GARRY KELLY: One of the other points made by Hon D.J. Wordsworth was that he did not agree that those funds should be amalgamated. He was of the opinion that the funds should be kept separately. The Fremantle Port Authority, as a result of an agreement in 1979, has been saddled with administering this fund, and it must be a nightmare to keep the money in the various compartments.

Hon D.J. Wordsworth: They would have to record long service leave separately.

Hon GARRY KELLY: Yes, but that does not mean the actual money has to be kept in separate accounts. As I said, if the utilisation increased, then the amount of workers receiving attendance money would decrease, so the reserves would build up and there would be funds in the account to pay for long service leave and sick leave. We have the situation at present where, because of the high charge-out rates, very little work is given to the workers, so the number of workers on attendance money is fairly high and that part of the fund is being depleted. If the charge-out rate was less, the number of workers on attendance money would correspondingly decrease and there would be more money in the reserve, which would build up with the funds coming in from the levy in order to fund sick leave and long service leave.

Hon G.E. Masters: All this depends on encouraging shipping to come here. Australian ports have the worst record in the world.

Hon GARRY KELLY: The Australian Shipping Conference has considered that a pool of skilled labour is necessary in Fremantle to cover --

Several members interjected.

The PRESIDENT: Order!

Hon GARRY KELLY: The point I am trying to make is that if the charge-out rate was lower, the amount of money in the fund would be at a rate which would cover the labour oncosts, and it would not be necessary to compartmentalise the fund, which would make the administration of the fund more efficient and a lot simpler. I think the Opposition has to face the fact that Fremantle is a port which has to provide a range of services. One might say that shipping will not come to the port because it has to pay this levy.

Hon G.E. Masters: It is not just because of that.

Hon GARRY KELLY: I make the point that shipping might not come to the port either if ship owners could not get the services they needed to ensure that their ships could complete their voyages. What the member is proposing will not happen overnight. What private contractor will take up labour and have ships painters and dockers contracted out on a casual basis?

Hon G.E. Masters: They do that magnificently in Europe. Some of those ports are booming.

Hon GARRY KELLY: They do it in some Australian ports also, but they do not do it in Fremantle, and it will not happen overnight. If we want to maintain an effective pool of labour to carry out these tasks, we have to fund that pool in a way which will maintain that pool in the short and long-term.

The charges that will be made will not discourage shipping from coming into the port. There would be some validity in what Hon Gordon Masters is saying if it was a levy across every ship that came into the port, irrespective of probable usage rates. For example, if one looks at the Minister's second reading speech, one finds that container ships which have a fairly low maintenance requirement will pay little or no levy.

Hon G.E. Masters: Which they do not pay now because they do not use the port.

Hon GARRY KELLY: That is right, but it is like an insurance policy. It is all very well to say one does not need to pay insurance premiums until one's house burns down, and then one regrets that one has not paid the premiums. In this case, there will be an investment in the security of the vessels, but the levy that a container ship has to pay, for example, will be a lot less than other ships which have a higher maintenance requirement. The point I am making is if the levy was across the board and every ship paid the same amount irrespective of potential usage, there would be a fairly heavy discouraging factor for ships calling at Fremantle; but that is not the case in the Bill.

I think that the Opposition should look at the Bill on its merits, and the Minister has said that he is looking at reducing the pool of labour even further. Contained in the Bill is the fact that these are not permanent arrangements; the new charges that will be introduced will be reviewed after a period to see how the system is working. So it is not something which will be locked up forever, and it will be subject to review.

I call on the Opposition to give the Bill some consideration. It deserves to be treated on its merits and given a chance, because if we accept the proposition that we need this Bill at Fremantle it must be funded equitably so that it is there when it is needed.

I support the Bill.

HON E.J. CHARLTON (Central) [9.31 pm]: I think the last speaker summed up the matter pretty well when he said this Bill, because of all the circumstances prevailing, is necessary to provide a cover charge right across the whole industry to shore up the whole situation.

Hon Garry Kelly: I did not say that at all.

Hon E.J. CHARLTON: The member did; he intimated that.

Hon Garry Kelly: I did not.

Hon E.J. CHARLTON: The member said that we will have a little bit from all the ship owners in order to provide a service. Anyway, regardless of whether or not he said that, the bottom line is that we do not need this work force at all and we would be making progress if we said it is quite obvious that the number is dwindling. It is quite obvious they all have another job; everyone knows that. If they all have other jobs, when the demand is there on a continuing basis somebody will step in and take advantage of that opportunity, as in any other business around the nation.

Hon Kay Hallahan: Like corruption in other ports.

Hon E.J. CHARLTON: No other port has been worse than Fremantle. That is why it has deteriorated to the extent that it has.

The PRESIDENT: Order!

Hon E.J. CHARLTON: Members must also remember that it is all very well for us to sit here and say we will work this out and get the users to pay half of the cost of paying these people, and that the other half will be paid on an hourly basis. It is all right for us to make some judgment about individuals who will have to put in the money. We all know who pays it in the end -- it is those whose products go on the shipping line.

Hon Garry Kelly: Don't you need that service?

Hon E.J. CHARLTON: If we need people to clean ships, then people will be employed as

part of the other operations on the waterfront. That came out quite clearly when we had the opportunity to discuss this matter with the people involved. They said these individuals now have other jobs. Nobody is arguing against that. They are getting paid to front up when they are called upon. Therefore, if that is the situation operating now, and those people have other jobs and are able to do this one as well, it is obvious they are not needed. Therefore, as has been stated before, a contract can be let to clean the ships. The contractor will put on staff in line with his other operations as the workload requires. If he needs one, two, five, 15, 20 or 50 men, he should operate in that way.

Hon G.E. Masters: It will cut the cost by 70 per cent.

Hon E.J. CHARLTON: That is right. I will add a couple of points which we noted after we discussed the matter with the people involved. At present the casual labour is paid an hourly rate, but a surcharge is levied that goes towards holiday pay, attendance money, and the guaranteed minimum wage.

Hon Kay Hallahan: Introduced by conservatives.

Hon E.J. CHARLTON: It does not matter who introduced it. This is 1987, the year is nearly over, and we are talking about what will happen in the future. Whether it was introduced by someone on this side of the House, by the previous Government, or by the Government 10 years ago is beside the point. The fact is that it has been stated by the Minister that nine or 10 people could be relieved of their responsibilities forthwith. That signifies the changes that have taken place.

When we hear the comments that have been made, it really is an example of robbing Peter to pay Paul. That is what it is.

Hon Kay Hallahan: It will be free of corruption, and that is a marvellous thing.

Hon E.J. CHARLTON: Is that equal opportunity?

Hon Kay Hallahan: It must be a reasonable system.

Hon E.J. CHARLTON: In the second reading speech a number of comments were made. One was --

> On some days there will be little or no work, and on other days there will be more work than can be handled by the available work force.

If we are to pay these people the sort of money that has been stated already, it is not economic to do it under the present system and therefore we must come up with another system. I just cannot see how, on the information given to us by the departmental people, we are in a situation at Fremantle -- and certainly I am not an authority on the waterfront --

Hon Kay Hallahan: We can tell.

Hon E.J. CHARLTON: Does the Minister agree with that? That is very good. If it were any other industry or business these workers would not last five minutes. They could not operate like that. What about all the other vessels or containers that are used in transporting various commodities? They do not have a work force sitting around on stand-by to clean something as required. Everyone knows, and so would the ship owners, that if this situation prevails in Fremantle, certain ship owners will say, "When our ship gets to Fremantle, we will decide what needs cleaning and get a contractor to do it."

Hon Kay Hallahan: Look at the results in other ports in Australia.

Hon E.J. CHARLTON: The information was that it was working all right in other ports.

Hon Kay Hallahan: Look at the corruption.

Hon E.J. CHARLTON: Are there problems in other ports in Western Australia?

Hon Kay Hallahan: Not in Western Australia; I am talking about the rest of Australia.

Hon E.J. CHARLTON: Here is another example. Stateships will not use this work force.

Hon D.K. Dans: They have their own.

Hon E.J. CHARLTON: So they have their own. Why do the other ship owners not band together and say, "We will employ a dozen people"? Where are the Stateships for half of the year? Not all sitting in Fremantle, I hope.

Hon Kay Hallahan: Floating around in the ocean.

Hon E.J. CHARLTON: In any event, it is obvious that I am only encouraging Government members to put their points of view, and they will have the opportunity to do that when the Minister sums up.

Bear in mind that if we are going to create a fund it is human nature to take advantage of it and use it all up. As soon as we start levying people and creating an amount of money to be used for a certain activity, it is obvious that the people involved will say, "Okay, if we get a few more involved in subscribing the levies we can employ a few more people", and so it goes on. That should not be the aim. I know there are good and varied reasons and that people on the Government side are being honest and genuine in their point of view when saying that the proposition in this Bill is better than the existing situation. It might be, but I think there is an even better way; that is, to do away with the present system altogether. It appears to me that this is another example of a compromise situation. We are trying to reach a compromise because these people want to maintain their positions and the ship owners do not want to use that work force because of the cost structures involved; therefore we must try to bring them together. In debate on a previous Bill we spoke about going to the umpire and asking him to hand down a judgment. This is another case of that. It has nothing to do with whether or not the work force is required, but rather we are trying to get a peace agreement between two warring factions -- although I am not saying that in this case the factions are warring.

Hon Kay Hallahan: What are you talking about? I do not follow you.

Hon E.J. CHARLTON: Why does the Minister not follow? That is what happened. The Minister agreed, and I heard her say a moment ago that fewer and fewer people are involved -- Hon Garry Kelly said it, if the Minister did not.

Hon Kay Hallahan: No, I did not.

Hon E.J. CHARLTON: Does the Minister support what Hon Garry Kelly said?

Hon Kay Hallahan: I support most of what the honourable member said, yes indeed.

Hon E.J. CHARLTON: So on one hand this fund has been created that people are not using because it is too expensive and therefore this is another way of levying the ship owners so that more people will be paying a lesser amount, and therefore the hourly rate will be half of what it is now. That is what is proposed. It will be more efficient in monetary terms, and therefore that is the way to go. I am saying that is a compromise. If one looks at the fact that the number of people employed has continually decreased, and the Minister has said that another 10 to 15 can be cut back, we are getting to such a minimal work force that someone in the private sector doing business on the waterfront and associated with the ship owners should be able to make personnel available so that nobody is levied but the people who want to use them will pay out a negotiated rate. Everybody would be happy, but that is another compromise. The bottom line is that the National Party does not support the proposition. We think it should be left to those involved to make their own arrangements without a levy or some other mechanism being put in place.

HON D.K. DANS (South Metropolitan) [9.42 pm]: I will be brief in supporting this proposition. I find myself in rather a dicky position because I am a member of this Chamber and also the chairman of the task force inquiring into the operations of all ports in Western Australia. For Mr Charlton's benefit, despite some of the criticism levelled at the Port of Fremantle, it is probably the most efficient port in the Commonwealth. That is a statement of fact, without going into the whys and wherefores. Plenty of suggestions can be made about making ports more efficient before we start on the work force, and that is not just my opinion.

We are looking at providing a stable number of people to perform certain duties on ships which require their labour when they come to Fremantle. The idea of keeping a labour force in ports is not peculiar to Australia. About this time last year I was in New York talking to the people from the New York Port Authority, and some of the conditions prevailing there with longshoremen in relation to guaranteed earnings would make the hair on Mr Charlton's legs stand up and that on his head drop out. We need to have people ready, willing, and available to work at short notice when a vessel comes into port.

You, Mr President, know that waterside workers who provide services for loading and unloading vessels are on guaranteed earnings because they are available. They do not go away and take other jobs. On the maritime side, the people who are not only subject to Government quotas but also strict discipline, are paid for attendance because one cannot go out and round up people at a moment's notice. The same applies to painters and dockers.

It is a sad fact of life that work is declining for this group of people for a number of reasons -- more modern ships, specialised ships, and the economic downturn. The area of work which used to be fairly attractive and drew a regular labour force for a lot of companies has now been frittered away. In addition, there were always a number of casuals. I am sure Mr Gayfer would remember when they were referred to as seagulls -- people who were unregistered workers. A Bill was put through this House with the assistance of the then Country Party to provide attendance money for the painters and dockers or maritime workers. I would not like to be in the port if a vessel came in and required cleaning or some other work and there was no labour force to do it.

It is not a simple matter to recruit labour from outside the area because the various unions have legitimate rights to work there under awards. This may look a fairly substantial sum of money, and it is, but if one thinks of it in its total context, perhaps at the end of the year looking at one side of the ledger with the ships expeditiously turned around and the work of a high standard carried out by a labour force which knows what it is doing, and then looks at the small tonnage levy placed on shipping companies, one sees it is the cheapest way to go about it. I have first-hand knowledge that some shipping people on the waterfront -- not so much the ship owners -- for a whole number of reasons are not very keen that this legislation should proceed. I know the reason for that. There are difficulties everywhere, whether in the building industry or in Mr Charlton's area, but sometimes we chop off our nose to spite our face.

The people who have put up this proposal have a great knowledge of what happens on the waterfront. I am not saying the whole thing will collapse if this Bill does not pass, but a couple of ships delayed for a couple of days can cost $80 000. Ships are like aeroplanes or trucks; unless they are at sea they are not making money. Every time they pull up at the wharf they start to lose money. Ships can be delayed for a number of reasons not connected with the labour force -- for example, the wrong design of our ports, wharves, and piers which were constructed for ships of bygone days. People in the rural sector do not get the full advantage of modern ships which call at our ports because of the ports themselves.

I do not want to continue outlining all these matters, but I would like members to put aside their preconceived notions and bias and think the matter through like good legislators. They should not say they will not have a bar of these people because they are on the waterfront. Think about it carefully because this is not a frivolous Bill. It is a serious attempt to reduce the number of these people, and that is a sad thing. It would be better if we were able to say we did not want to guarantee earnings because there was so much work that the whole group of registered maritime workers could be employed from now until the end of time. I am sure Mr Masters would like to be able to say that, but that is not the case.

Hon G.E. Masters: Why is it not the case?

Hon D.K. DANS: Because of a whole number of things that are happening throughout the world. If Mr Masters goes overseas and to Singapore he will see many ships hanging on the hook. It is a battle to make ends meet. There are other things bedevilling the ports. There has been no recruitment for waterside workers in Fremantle for 15 years, so we are getting a very old labour force. There is not enough money to pay out their pensions, so we have to keep them on.

Hon E.J. Charlton: When we hear some of the things that go on, it does not help us much.

Hon D.K. DANS: I said without bias. If Mr Charlton wants a briefing from me and the task force, I will give it to him and he will see some problems which are not related to the labour force. The labour force in Fremantle works very well; that is not only my opinion but that of people who employ them.

Hon G.E. Masters: They would not dare say otherwise.

Hon D.K. DANS: Mr Masters can say that. I have a great regard for Mr Masters, but he is biased and bigoted.

Hon G.E. Masters: You are not?

Hon D.K. DANS: No, I am not. I can see both sides of the argument and have been able to for a long time. The Minister does not have a biased approach to this matter. He is intending to shout down the labour force. Members have to be practical. I do not tell some of the members in this place how to plant wheat and how to harvest it. All I can say is that we cannot operate ports without ships using them and people cannot use them without workers working in them.

Hon E.J. Charlton: That is right.

Hon D.K. DANS: We are a complete society and we have to do away with our biases. I honestly believe that Hon Gordon Masters would be a better person and a better member of Parliament if he got rid of some of his bias. The people in the industry understand the problems, and all we seem to get from the Opposition is derision for the way we handle these matters. I ask members to shed their bias and to consider the matter with a more even-handed approach. The adoption of this measure would go a long way to keeping the port operating very smoothly. That is not to say there will not be disputes. Anybody who is called upon to stand by is entitled to be paid. The lumpers union was established years ago by a number of merchants in Fremantle to provide a stable labour force. It drew up a constitution to ensure that that labour force was always there.

I went to ports in the north west of this State in the old days when labour could not be found and ships would have to wait two or three days for crew.

I hope that some commonsense prevails over the bias I have heard in this debate.

Debate adjoumed, on motion by Hon G.E. Masters (Leader of the Opposition).

BREAD AMENDMENT BILL

In Committee

Resumed from 25 November. The Chairman of Committees (Hon D.J. Wordsworth) in the Chair; Hon J.M. Berinson (Leader of the House) in charge of the Bill.

Clause 8: Sections 8 and 9 repealed and section 8 substituted --

Progress was reported after the clause had been partly considered.

Hon J.M. BERINSON: I move the following amendments --

Page 4, line 14 -- To delete "or"

Page 4, line 16 -- To delete the comma after "arise" and substitute the following --

; or

(c) any other circumstances the Minister considers relevant,

When we commenced our discussion of this clause the Leader of the Opposition put a number of possible arrangements to me with a view to clarifying whether they would be permitted under the provisions of the Bill as it was drafted. Mr Masters had two main considerations in mind. The first related to the possibility of milk vendors delivering bread after 6.00 pm; the second related to a situation where a semi-trailer of bread might be loaded in Perth for distribution up north and necessarily involved delivery times that covered periods after 6.00 pm and before 4.00 am. I do not remember exactly what I said in my initial response, but I think I said something about their being interesting questions. Further consideration indicates that they were interesting questions and I only hope that my answers are adequate.

We face a situation where quite artificial differences could arise from arrangements, depending on their precise nature. For example, if a milk vendor picked up bread directly from a bakehouse at 5.00 pm and continued to deliver it until, say, 10.00 pm, he would appear to be in breach of the Bill as originally drafted. That would arise because delivery in those circumstances would involve movement of bread from a bakehouse direct to consumers by means of the milk vendor's services. They would be stretching past the 6.00 pm limit and therefore be in breach. On the other hand, if an arrangement were made whereby the baker delivered bread to the milk vendor's premises and then the milk vendor

delivered it with his milk in the course of his ordinary round, and he went after 6.00 pm, it is unlikely there would be any breach because of the break in the continuity of the delivery process.

The analogy might be made between that situation and one where the baker delivered bread to a delicatessen at 5.00 pm and the delicatessen had a delivery system delivering groceries and other goods that went past 6.00 pm. That is a very artificial distinction but it seemed to arise. We could cut across all these theoretical possibilities by my reaffirming to this Committee the comments by the responsible Minister in the other place to the effect that it is not intended to prevent ordinary bona fide combinations of service by milk vendors delivering both milk and bread at the one time, even though it comes after 6.00 pm. I can also reaffirm his advice elsewhere that it is not intended to prevent the delivery of bread to far distant areas, particularly frozen bread, that would involve the transporter carrying on the service after 6.00 pm.

It had originally been considered that the Minister's wish not to interfere with that sort of process would be covered by the provisions of clause 8(4) of the Bill, particularly that part which provides that the Minister, having regard to exceptional circumstances, may authorise any person to deliver or accept the delivery of bread during any hours not otherwise authorised. Further, advice from the Crown Law Department indicates that it would be stretching that provision too far to use it to accommodate the sort of circumstances raised by the Leader of the Opposition.

That brings me to the purpose of the amendment I have moved; it will provide the Minister, in addition to the other arrangements for flexibility in clause 8, with the further discretion to provide for other circumstances the Minister considers relevant. For the record, I advise the Committee that the other circumstances mainly contemplated are those outlined by the Leader of the Opposition. In the course of time others may come to attention which require some consideration but, in any event it can be said that the intention is that the sort of service contemplated by both questions asked by the Leader of the Opposition are not intended to be obstructed. This amendment will ensure that that does not happen.

Hon G.E. MASTERS: I thank the Leader of the House for his explanation and support the proposed amendment. As I understand the definition of "delivery" it would enable a milk vendor to pick up or have delivered to his premises a supply of bread and, if the milk vendor then started delivering the bread from his own premises, he would not be dependent on the discretion of the Minister.

Hon J.M. Berinson: It would have to be a bona fide arrangement whereby he actually purchased that bread rather than acted as an agent for the baker.

Hon G.E. MASTERS: I understand that. If I, as a milk vendor, made an arrangement with the baker to purchase 300 loaves of bread each night, was invoiced for that bread, collected the money etc -- in other words I acted as a private operator and not as an agent for the baker -- I would be okay. I am concerned about such an operator being reliant on the Minister's discretion. I am concerned that perhaps at some stage pressure could be placed on the Minister, perhaps by the Transport Workers Union for some reason, and under those circumstances the Minister would be able to tell the milk vendor that he could not operate in the way I have described. I hope I am correct in my understanding that under the circumstances I have described the milk vendor would not require the authorisation of the Minister.

Hon J.M. BERINSON: On the advice available to me, that seems to be the position. As long as we are dealing with a situation in which there is a bona fide purchase by the vendor of the bread and the delivery of that bread takes place from his premises and not from a bakehouse, we are agreed.

Hon Gordon Masters will understand that, putting aside questions of how this will be checked, there is no intention that one could artificially circumvent this by picking up bread from the bakehouse and simply passing the milk vendor's premises on the way to the customer. There must be a delivery break in the process and a new process started from some place other than the bakehouse. We agree on that.

It is thought that the problem should be a very limited one, if indeed there is a problem at all, because on the whole the delivery of bread after 6.00 pm is most likely to either result in the

delivery of relatively stale bread or delivery to that very limited market looking for fresh bread late at night.

Hon G.E. MASTERS: I accept the assurance of the Leader of the House. However, the whole discussion is a farce and ridiculous because it is clear from the Leader's explanation that if I were in the business of delivering bread under the circumstances that I have described, I would easily be able to make arrangements that would enable me to do that. We can pick all sorts of examples, such as a shop delivering bread with groceries and the like, and one could go on, and on.

This Bill will be back here next year because of the sorts of examples that I have given. People will circumvent the law and we will have to do what I said earlier, and what I think the Leader of the House believes in his heart, and that is allow delivery of bread, as with baking, 24 hours a day so that people wanting to deliver bread will do so considering their customers and themselves.

Hon J.M. Berinson: I think that that is unlikely to be economic. I do not think we would end up with the sort of market that would justify that service.

Hon G.E. MASTERS: I am not saying that deliveries will be made 24 hours a day but that there will be an opportunity for people to choose to deliver bread between 6.00 am and 8.00 am and not 3.00 am and 4.00 am. Debates on the bread industry, baking, and the delivery of bread have, as the Leader of the House well knows, been almost farcical so far as discussions in this place are concerned. His criticism of me has given me some pleasure when handling this Bill tonight, as I drew to his attention. I support the amendment. The words "any other circumstances" that the Leader of the House feels are relevant will allow him to make a judgment and allow delivery at his discretion. I point out that I will be discussing this Bill with the appropriate Minister in 12 months' time.

Amendments put and passed.

Clause, as amended, put and passed.

Clauses 9 to 13 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Leader of the House), and returned to the Assembly with amendments.

PETROLEUM AMENDMENT BILL

Second Reading

Debate resumed from 26 November.

HON NEIL OLIVER (West) [10.17 pm]: This Bill sets out to do two things: ratify the Barrow Island agreement which will expire on 10 February 1989 when the Parliament will not be sitting, and redefine the actual onshore and offshore rights areas applying to petroleum lease 1FH. This action is brought about under the Petroleum (Submerged Lands) Act to which, during the period of the Fraser Federal Government, and more recently, amendments have been passed varying submerged land rights.

The matter in relation to Barrow Island is straightforward and relates to renewing the lease. This island is a significant source of oil production. It is unfortunate that the bulk of the product is not refined in Western Australia or Australia but, I understand, is transported to Singapore and processed in some nine refineries that I understand are on or about Singapore Island.

Barrow Island is significant because it was the first major commercial oilfield discovered in Australia. It was followed by the Bass Strait field. In recent years we have been fortunate to be almost 80 per cent self sufficient in oils refined for petroleum products, or lighter oils. I am afraid that is not the future for Australia because there has been a serious decline in the

number of oil rigs operating offshore and a decline in exploration generally for petroleum in Australia. No doubt the reasons for that are quite obvious; that is, lack of incentives to enter into this high risk area of exploration and capital-intensive industry unless there are reasonable returns to those searching for oil.

There has been a decline in the number of oil rigs located around our coastline and in the number of companies working their permits, a number of which have been allowed to lapse. This is rather unfortunate because oil parity pricing, which we have enjoyed in Australia previously, has allowed successive Governments to enjoy the huge deficit spending that they have undertaken during that period. During that period Australia was able to offset import costs in our balance of payments required to service the costs of imported petroleum products. Therefore, we should have enjoyed an excellent balance of payments during that period. Unfortunately, that has not been the case and, in fact, this country has recently endured the worst balance of payments in its history.

I understand the Bass Strait field is entering the final stages of its life and it will need some major discoveries in that area to bring Australia back up to the level of production that it has enjoyed over the past 20 years. As I said, Barrow Island was the first commercial field, apart from what I remember as an oil strike at Exmouth Gulf, possibly in the early 1950s, with WAPET as it was called then, or Ampol Petroleum, which ultimately proved to be a non-commercial oil strike. Unless we are prepared to provide incentives for people to undertake additional exploration research for petroleum in Australia, we will be in grave difficulties. We are already enduring those difficulties in our balance of payments.

I appreciate that the Bill sets out to ratify an agreement and to renew the lease which will expire on 9 February. In addition to that, the Bill contains a variation of the definition of territorial sea. I note that the lease has been varied because of a technicality, in that a requirement under the operation of the previous lease deemed it necessary that the wells be constantly producing. This provision has been varied, no doubt due to the fact that the quantity of crude now being pumped at Barrow Island is not sufficient to ensure that the wells are constantly operating and then able immediately to ship to tankers. So, unfortunately, now there is only spasmodic production at Barrow Island, and this has created a technical problem in the lease. Not only is the renewal of the lease granted on 10 February, but also there is a proviso which allows the operation to be of a non-continuous nature without being in breach of previous arrangements.

We support the legislation and trust that in the future people will come forward who are prepared to take the entrepreneurial and financial risks involved in moving to make Australia more self-sufficient in oil, especially when we see countries such as India become oil producers. In only 20 years India has doubled its population and is now self-sufficient in oil. It does not suffer the famines it experienced when it had only about 350 million people -- half of its present population. It is quite interesting to note that India is now a major exporter of food -- it exports maize. It is unfortunate to see a country such as India which is very rural-based -- over 80 per cent of its people live in the rural community -- being able to survive and advance successfully while we in Australia seem to be going downhill.

HON H.W. GAYFER (Central) [10.25 pm]: One sits and reflects about the wealth of some of these remote areas in Western Australia. I suppose when we are among the comforts of the city and reflect on Barrow Island, Kalgoorlie, and other places that supply the wealth of this nation, we wonder how they ever survive in such remoteness and obviously without great attention by the public. Certainly it is only at a time when a ratifying Bill like this comes forward that we get around to thinking what a wonderful boon Barrow Island has been to Australia, what lifeblood it has given by way of oil to the populace, and really what wealth may lie in other islands of similar remoteness around our coast.

I never fail to think that Western Australia is still on the threshold of discovery. There is still a Lasseter's Reef somewhere, figuratively speaking, for the finding of something. It is not so long since diamonds were discovered at Argyle, and coal is yet to be exploited. We are really a very wealthy country. Kalgoorlie may have been the forerunner, but Barrow Island certainly was a great boon and gave us great confidence in the early days of oil discovery there.

This Bill provides for an amendment to enable WAPET's tenure over the control of petroleum lease 2H covering the submerged land surrounding Barrow Island in respect of the

waters landward of the baseline to be placed in similar terms to the transition provisions under the Commonwealth and Western Australian Petroleum (Submerged Lands) Acts. The Bill also applies similar renewal terms of petroleum lease 1H at Barrow Island as exists for a production licence ıder the Petroleum Act 1967.

The point is that ıı the Barrow Island supply is getting to the stage of being exhausted, as indeed was indicated for Bass Strait, we certainly will be in great difficulty very shortly in terms of running o vehicles so far as we on the land are concerned. It will be like cutting off our lifeblood. ' suppose we should be getting around to designing something that is reliant on a fuel ot. er than oil. Perhaps man has placed his faith too much in a box with a wheel at each of the four corners, which has not changed much since 1895, or whenever, when Daimler Benz brought it in. If we do not tap in somewhere else we will be in great difficulty, as Hon Neil Oliver has said. I endorse his comments in that respect. However, that is beside the point to a good degree.

We support the Bill although we are very concerned about the future of oil in this country.

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [10.29 pm]: I welcome the agreement that we have on this important Bill, and I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee, etc

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Kay Hallahan (Minister for Community Services), and passed.

HEALTH AMENDMENT BILL

Assent

Message from the Governor received and read notifying assent to the Bill.

MARKETING OF EGGS AMENDMENT BILL

Assembly's Request for Conference

Message from the Assembly received and read requesting a conference on the amendments insisted on by the Council, and notifying that at such conference the Assembly would be represented by three managers.

As to Consideration in Committee

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [10.32 pm]: I move--

> That consideration in Committee of the Legislative Assembly's request be made an Order of the Day for the next sitting of the House.

HON H.W. GAYFER (Central) [10.33 pm]: What would be the timing of the suggested conference and when would it be likely to take place? It is an order for the next sitting of the House, but what would be, in your opinion, Mr Deputy President, the timing of it?

The DEPUTY PRESIDENT (Hon Robert Hetherington): I cannot answer that question because that is under the control of the House and not under the control of the Deputy President. I do not know whether the Leader of the House can throw any light on it.

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [10.35 pm]: I will give some indication to Hon H.W. Gayfer of the process as I see it.

The position we have at the moment is that the representative Minister in this House for this Bill, Hon Graham Edwards, is absent all week on ministerial business. I would therefore expect consideration of this motion to come up next Tuesday.

Hon H.W. Gayfer: Thank you, Mr Leader. I have a plane to catch tomorrow and I was worried I would miss this debate.

Question put and passed.

ROTTNEST ISLAND AUTHORITY BILL

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

STATE FORESTS: PARTIAL REVOCATION OF DEDICATION

Assembly's Resolutions

Messages from the Assembly received and read requesting concurrence in the following resolutions --

1. That the proposal for the partial revocation of State forest Nos 15 and 26 by command of His Excellency the Governor laid on the Table of the Legislative Assembly on the Twenty Ninth day of October 1987 be carried out.

2. That the proposal for the partial revocation of State forest Nos 41, 43, 55 and 59 by command of His Excellency the Governor laid on the Table of the Legislative Assembly on the Twenty Ninth day of October 1987 be carried out.

GOVERNMENT INSTRUMENTALITIES

Privatisation: Motion

Debate resumed from 10 September.

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [10.38 pm]: This motion on privatisation by Hon Norman Moore is not to be taken seriously. It comes in three parts, the first of which is based on a wrong premise; the second of which calls for a list which does not exist and cannot realistically be produced; and the third of which is addressed to organisations which are well capable of making up their own minds on any issue without the assistance of "calls" by Hon N.F. Moore and his colleagues.

If we put the schoolboy debating tactics aside, the position is that the Prime Minister has initiated a debate within the Labor Government and Party on privatisation. It is a matter of common knowledge that this has attracted substantial opposition from within the Labor Party. It is also well known that the issue will be determined at the national conference of the party in 1988. So far as I am aware, neither the Prime Minister nor the Premier has said, as this motion suggests, that Australian Airlines, Qantas, or the Commonwealth Bank should be privatised. Indeed, Mr Moore acknowledged in moving his motion that that was the case, but he continued his comments as though that was not the case.

The fact is that what has been called for by the Prime Minister, the Premier, and others is a serious consideration of issues relevant to the question of privatisation. Since the Premier has been misquoted so often on this matter, it may be helpful if I quote what he has actually said rather than what has been alleged as his comment. I refer in particular to his speech in Karratha on 31 August this year when he said --

> ... it's a debate that responsibly addressed the question of the proper and profitable management of government assets, a debate that took into account how times have changed, that acknowledged, for example, that when the Commonwealth Bank was established, it was established in radically different times than those which exist now, that when, for example, Australian Airlines was set up it was set up to serve a country that was not much like the one it now competes in, and that it was set up to solve problems that have largely receded, but which have been replaced by problems, some of which I suspect have flowed from the regulation that was designed to protect that established two airline policy of which the government owned airline was at least 50%.
>
> In a nutshell, the problems are different, the world is much different, it's much

smaller, it's much more international in the competitive sense and there's absolutely no prospect of convincing reasonable people that we can exist in isolation in the competitive sense; in isolation from other countries and from other economies.

There is no room, when considering the question of public assets and their management, for the entrenched ideological exclusions of any policies that flow from the adoption of those extreme ideological views. There's no room for a blind "sell everything at any cost" policy, in the same way as there's no room for a policy that says we should maintain and enlarge the ownership of assets on behalf of the government, regardless of whether that's good or bad for the economy.

What there is room for is what I've referred to previously, and that's for mature, rational debate that goes to the proper management of government assets. So that's the context and these are the things that I think are important when that debate is conducted.

That is the position as far as the debate on privatisation within the Labor Party is concerned. If Mr Moore wants to go on a fishing expedition he must do so on his own.

HON H.W. GAYFER (Central) [10.43 pm]: I do not see why the Leader of the House got upset about this motion. After all, Mr Moore is only calling for support for the Prime Minister and the Premier for the position they have adopted.

Hon J.M. Berinson: I am not uptight. If I was uptight I would have spoken at length.

Hon H.W. GAYFER: The Leader of the House read a document.

Hon J.M. Berinson: I read from copious handwritten notes.

Hon H.W. GAYFER: I do not doubt that for a moment. However, I cannot see any reasons for this motion not being carried. After all, privatisation has been at the forefront of discussions by the Government recently. For the life of me, I cannot see any reason why we should not privatise Australian Airlines and Qantas Airways Ltd. There is also much talk in the newspapers about the Commonwealth Bank becoming a private institution. It is an excellent institution and I do not see any reason why investigations should not be made into its privatisation.

Mr Moore calls on the Premier "to provide forthwith a list of those State Government assets whose proper management includes privatisation". What is wrong with examining such a list? Why should we not consider it to see whether we should totally privatise these institutions in the future? The Government certainly needs the support of the Australian Council of Trade Unions and of the Trades and Labor Council before any such moves are made because, undoubtedly, such a move would not succeed without their support. I believe that, because this matter has been discussed so much by the Prime Minister of Australia and the Premier of Western Australia, we should all support it wholeheartedly. They admit that a move to have such institutions run by private enterprise would be in the interests of the Government generally.

We are both private enterprise parties and support that move. The National Party supports the motion moved so ably by Hon N.F. Moore.

HON N.F. MOORE (Lower North) [10.46 pm]: First, I appreciate that the Leader of the House has agreed to debate this matter at all. He gave an undertaking some time ago that he would debate it and has fulfilled that promise. I appreciate that the motion has not been left at the bottom of the Notice Paper.

The response by the Leader of the House has been disappointing in the extreme. The fact that his colleagues have not made a contribution is also disappointing. Perhaps I should be fairer than that. Some of his colleagues made a contribution during my original speech when they indicated quite clearly that they did not support several aspects of the privatisation debate. Hon Tom Butler and Hon Sam Piantadosi stated categorically that they do not support the privatisation of Qantas Airways Ltd. The Leader of the House's response was very poor when one considers that this issue is of considerable significance in Labor Party circles in the Federal sphere.

Hon P.G. Pendal: He has to be careful now that he is an aspirant for the Premiership.

Hon N.F. MOORE: That is right.

Hon J.M. Berinson: It is a matter of leaving it for discussion where the discussion counts. If I am engaged in that discussion I will convey your good wishes.

Hon N.F. MOORE: Assuming that we pass this motion tonight, the Leader of the House can take it with him to the next Federal Conference of the Labor Party and inform it that many people in Western Australia support the initiatives of the Prime Minister and the Premier in this privatisation debate. However, I would be more interested to know what the Leader of the House's colleagues think about the matter and whether they support the Prime Minister and the Premier.

Hon E.J. Charlton: It is a shame they did not have a few bars.

Hon N.F. MOORE: They never do when it comes to an issue of substance.

Hon Tom Helm: The Premier has made our position clear.

Hon N.F. MOORE: I am sure Hon Tom Helm was at the function when he made his speech. I was careful, in wording the motion, to put things into it that were correct. Maybe Hon Tom Helm will support his Premier when I tell him what he said in Hon Tom Helm's electorate.

Hon Tom Helm: I was there.

Hon N.F. MOORE: I will read from the Premier's speech which I understand was made in Port Hedland. I also understand that the same speech was made in Karratha.

Hon Tom Helm: No, it was not.

Hon N.F. MOORE: The Premier said --

> ... harking back for one moment to the question, for example of Qantas or Australian Airline, I fail to see what ideological function Qantas fulfils on behalf of, if you like, the Australian Labor Party or on behalf of those people who would retain it for ideological purposes.
>
> It seems quite clear to me that Qantas is one example -- if it ever fulfilled an ideological purpose no longer does so -- and the same applies to the Commonwealth Bank.

Hon J.M. Berinson: Did the Premier say they should be privatised or we should consider privatising them? There is a difference between the two, is there not?

Hon N.F. MOORE: The Premier made the speech in Port Hedland when he said that the Prime Minister said it was time the Labor Party threw away its ideological blinkers in respect of privatisation and got involved in a national debate. To give the Premier his due, he made it clear that, as far as he was concerned, Qantas, Australian Airlines and the Commonwealth Bank fulfilled no ideological reason for the Labor Party's continuing support of their present ownership and operations.

When I wrote the words of the motion I was quite specific when I said we support the call by the Prime Minister, Mr Hawke, and the Premier, Mr Burke, for privatisation of three Government operations, Australian Airlines, Qantas, and the Commonwealth Bank. I could have left them out and made a generalised statement about privatisation, but I endeavoured to be accurate.

As far as I am concerned, and the journalists who reported Mr Burke's speech are concerned, the Premier was calling, as was the Prime Minister, for a change in the ownership of these three organisations. If he was not saying that and, in fact, saying that something else should happen,it is incumbent upon him to tell the people of Western Australia what he has in mind. We know that the Prime Minister wants these organisations privatised; and we want to know what the Premier wants to do if he does not want them privatised.

Hon Tom Helm interjected.

Hon N.F. MOORE: The Premier was talking about the debate on privatisation, whether Hon Tom Helm likes it or not.

The Premier in his speech talked about the necessity for the proper management of State Government assets; so I asked him for a list of State Government assets whose proper management would include privatisation. The Leader of the House says there is no such list.

The Minister for Economic Development, Mr Parker, made a speech to the Fabian Society in

which, it is reported, he made similar comments about privatisation of Government assets, or perhaps the better or more proper management of those Government assets. I asked him a question in the House about which agencies he had in mind for privatisation; the answer was that the question was based on a wrong premise. All I had to go on was an article in *Labor Voice*. If that paper does not tell us what is happening, where do we go? I asked Hon Garry Kelly to give me a copy of the speech as it said in the *Labor Voice* one only has to ask Hon Garry Kelly for such information. I regret to say that in the week and a half since I asked for that information it has not been forthcoming.

I would be interested to know what Mr Parker thinks about privatisation. If he is prepared to tell the Fabian Society, it is incumbent on him to tell the people who pay his salary -- the public. I hope that one day I will receive a copy of that speech.

Hon P.G. Pendal: The Minister is in Russia at the moment.

Hon N.F. MOORE: Talking about privatisation?

Hon P.G. Pendal: Probably.

Hon N.F. MOORE: The Leader of the House said in respect of the third part of the motion that those organisations -- the ACTU, the TLC, and the State branches of the ALP -- did not need our assistance in making up their minds on this issue. They need somebody's assistance as they cannot make up their own minds. The Prime Minister says certain things; Senator Cook, somewhere in the middle, says other things; the likes of Gerry Hand are saying other things; the different branches of the Labor Party say something else. We do not know what the Labor Party, in its entirety, will do in respect of this serious issue.

Hon S.M. Piantadosi: Did the wets support you within your party?

Hon N.F. MOORE: I do not know. I am not interested in the wets and dries. I tell the member that we, as a House, ought to support his Premier and his Prime Minister in the call for privatisation. If, in fact, the Premier is not supporting privatisation, I would be happy for Hon Sam Piantadosi to amend this motion to take out the Premier and say we support the Prime Minister -- that would be enough for me.

Hon Mark Nevill: What is on your list for privatisation?

Hon N.F. MOORE: The member should know, as we had this debate ad nauseam before the last election when the Government came out with the support of its union mates and poured a bucket over our privatisation proposals to the extent that we were not able to convince the public they were a good idea. Now that the election is out of the way, the member's leaders -- both the Prime Minister and the Premier -- have said we should look at it; we should have a national debate. All I ask is that members on the other side become part of that debate and make a decision.

Hon Mark Nevill: You will have to join the Labor Party.

Hon P.G. Pendal: We are not that desperate.

Hon N.F. MOORE: It is interesting that the member thinks that debate on an issue such as this should be confined to his party. The debate should be a national debate. I think the Prime Minister was asking for more than debate within the Labor Party.

Hon Mark Nevill: Is it not a question of our policy?

Hon N.F. MOORE: I hope it is. I hope the member's party policy comes out and says it supports privatisation. I do, and most of my colleagues do. I hope the Government will develop a policy similar to ours. I hope before the night finishes, the Government will support this very simple motion. The motion asks that the Government support its leader.

Hon Tom Helm: We do support him; he did not say what you said.

Hon N.F. MOORE: Then amend the motion. If Hon Tom Helm thinks the Premier did not say anything about privatisation, I will be happy if Mr Burke is taken out. If such an amendment would help members opposite to express support for the Prime Minister because they think I have made a mistake in respect of what Mr Burke said, then let us amend the motion and take out "the Premier, Mr Burke". We will then see how Government members react to that.

Hon Tom Helm: You are wrong on both counts; neither of them said it.

Hon N.F. MOORE: It is regrettable that we have not had a decent debate on this motion. I made a speech about privatisation being a good thing, and that we should support the Labor Prime Minister and the Labor Premier; the Leader of the House said this was not a serious debate and yet, as I reminded him, it is in the newspaper every second day and causing turmoil within the Federal Labor Party.

Hon J.M. Berinson: The motion itself does not call for serious debate as it is based on the wrong premise.

Hon N.F. MOORE: I am not arguing on a wrong premise; I suggest what the Premier and the Prime Minister have advocated is what, in fact, they did advocate. I will be happy to accept an amendment, if I am wrong, but the Leader of the House is not prepared to argue more than on a superficial level.

I appreciate the support of the National Party. When we take a vote we will give the Labor Party members a chance to record their vote so that *Hansard* will be able to show for ever what the views of the Labor Party members are in respect of their attitude towards the Premier and the Prime Minister.

Hon J.M. Berinson: That vote will show nothing of the sort.

Hon N.F. MOORE: It will show members opposite do not support calls by the Premier and the Prime Minister. It will show that the Leader does not believe that this House is entitled to a view on these matters.

Hon J.M. Berinson: It shows we do not accept that your motion represents the facts.

Hon P.G. Pendal: It shows what we can expect from a future Berinson Government.

Hon J.M. Berinson: The member is generous about the validity of the promotion offered.

Hon P.G. Pendal: The short-lived Berinson Government!

Hon N.F. MOORE: I have no doubt, having listened to the Leader of the House talking on economic issues, that he is in fact one of the enlightened members who probably supports the Premier and would probably like to see some rationalisation occurring in respect of the way Government assets are managed.

Hon Tom Stephens: If you were to move a motion that it is night time, most of us would automatically vote against it just because you moved the motion.

Hon J.M. Berinson: On the basis that there must be grave suspicion about it.

Hon N.F. MOORE: Is it not interesting that Hon Tom Stephens, whose contributions to these debates --

Hon Tom Stephens: You have enormous powers of persuasion.

Hon N.F. MOORE: I could not persuade the member to do anything, because he has a mental block when it comes to looking at matters of some consequence. His contribution to this debate is probably a reflection of his capacity to argue the point. I wonder if, before I finish in this place, I will see him get up and make a speech on something of significance.

I suggest to members opposite that they can demonstrate to their leaders whether they support them or not by voting for this motion, and I urge them to do so.

Question put and a division called for.

Bells rung and the House divided.

The DEPUTY PRESIDENT (Hon Robert Hetherington): Before the tellers tell, I cast my vote with the Noes.

Division resulted as follows --

Ayes (13)

Hon C.J. Bell	Hon Barry House	Hon N.F. Moore	Hon Margaret McAleer
Hon J.N. Caldwell	Hon P.H. Lockyer	Hon Neil Oliver	*(Teller)*
Hon E.J. Charlton	Hon G.E. Masters	Hon P.G. Pendal	
Hon Max Evans	Hon Tom McNeil	Hon John Williams	

Noes (12)

Hon J.M. Berinson	Hon Tom Helm	Hon Doug Wenn
Hon J.M. Brown	Hon Robert Hetherington	Hon Tom Stephens
Hon D.K. Dans	Hon Garry Kelly	*(Teller)*
Hon John Halden	Hon Mark Nevill	
Hon Kay Hallahan	Hon S.M. Piantadosi	

Question thus passed.

ADJOURNMENT OF THE HOUSE: ORDINARY

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [11.04 pm]: I move --

That the House do now adjourn.

Minister for Education: Comments

HON N.F. MOORE (Lower North) [11.05 pm]: I will delay the House for only a short moment, but I want to place on record my opposition to comments made in another place today by the Minister for Education. His comments were made in respect of an article which appeared in *The West Australian* this morning. The article is on page 6, under a heading, "Irate teachers attack appointments". The article contains the following --

> . . . the Opposition spokesman for education, Mr Moore, said the appointment of people over 50 "defied logic".

That is clearly not what I said at all at any time. As members know, I spent something like 40 minutes last week endeavouring to convince this House that people over the age of 50 should be retained, not sacked. That article has caused me some distress and has resulted in numerous telephone calls from people over 50 who are quite rightly upset by some member of Parliament suggesting that their appointment would be illogical.

The Minister for Education, in his usual style, seized upon that article and sought to castigate me in another place this afternoon. I put on record that that is not what I said. What I did say was that the appointment of people over the age of 50 was illogical in the context of the Government's policies with respect to over 50-year-olds in the Education Department. While they were trying to make it easy for people over the age of 50 to leave the department, it seemed illogical to appoint someone aged 64 to the position of director.

That was the context in which I made those comments. Regrettably the subeditors at *The West Australian* saw fit to write it in another way. I advise the House that that is not what I said. Members here who listened to the debate last week know exactly my views on the matter. I have written to the editor of *The West Australian* advising him of this, but in the current edition of *The West Australian* I notice that my letter did not appear.

Question put and passed.

House adjourned at 11.08 pm

QUESTIONS ON NOTICE

CORAL BAY ROAD
Sealing

463. Hon P.H. LOCKYER, to the Minister for Sport and Recreation representing the Minister for Transport:

What funds are being made available to assist the Carnarvon Shire Council seal the Coral Bay Road?

Hon GRAHAM EDWARDS replied:

No decision has been made concerning the amount of financial assistance to be made available. At a recent discussion with a representative of the Shire of Carnarvon, I agreed that the Main Roads Department would continue with pre-construction activities, including survey, location of pavement materials, and design. When this work is sufficiently advanced, a firm estimate of the project cost will be prepared and a discussion arranged with the Shire of Carnarvon to determine a funding arrangement.

BURSWOOD ISLAND BRIDGE
Construction

473. Hon P.G. PENDAL, to the Minister for Sport and Recreation representing the Minister for Transport:

(1) When is construction of the Burswood Island bridge scheduled to begin?

(2) When is construction scheduled for completion?

(3) What is the projected cost of the project?

Hon GRAHAM EDWARDS replied:

(1)-(3)

It is estimated that the construction of that part of the city northern bypass between Great Eastern Highway and Bennett Street, including the Burswood bridge, will take about three years. At the present time, the commencement date has not been fixed. The cost will, of course, be affected by the commencement date. At present, the estimated cost for this sector is in the order of $31 million to $32 million.

DISTANCE EDUCATION CENTRE
French Language

474. Hon A.A. LEWIS, to the Minister for Community Services representing the Minister for Education:

How many places will be available for the study of French with the Distance Education Centre for the 1988 school year?

Hon KAY HALLAHAN replied:

Lower school, 52; upper school, 45.

BOYUP BROOK HIGH SCHOOL
Renovation Programme

475. Hon A.A. LEWIS, to the Minister for Community Services representing the Minister for Education:

Once the proposed restoration and renovation of the Boyup Brook District High School is completed, what does the Government intend to do with the primary section?

Hon KAY HALLAHAN replied:

It will continue to be used for primary classes.

BOYUP BROOK HIGH SCHOOL
Library Resource Centre

476. Hon A.A. LEWIS, to the Minister for Community Services representing the Minister for Education:

As a library resource centre does not officially exist at the primary section of the Boyup Brook District High School, and the Building Management Authority does not accept any responsibility for the maintenance of the old Bristol building, when is a new centre to be built?

Hon KAY HALLAHAN replied:

Such a facility will be considered when improvements are actually undertaken at this school. This work is listed for a future Capital Works Programme.

MUNDARING PRIMARY SCHOOL
Relocation

481. Hon NEIL OLIVER, to the Minister for Community Services representing the Minister for Education:

I refer to the relocation of the Mundaring Primary School.

(1) Has the site located on proposed public open space of 3.9192 ha in Stevens St been confirmed as the dedicated location?

(2) If yes, has a road pattern been established for the proposed subdivision by planners BSD Consultants?

(3) If yes, to (1), has the freehold title to the site been transferred to the State of Western Australia?

(4) If no, when is the latest date proposed for settlement?

(5) Has an irrevocable contract been executed with developers for the existing school site?

(6) If yes, is that contract conditional on a long-term lease being executed with a major retail tenant for the proposed shopping centre?

Hon KAY HALLAHAN replied:

(1)-(6)

Matters concerning the possible relocation of the Mundaring school are still the subject of negotiations with the authorities concerned. When details are available, they will be provided appropriately.

TOURISM: REGIONAL
Booklet: Complaints

484. Hon P.G. PENDAL, to the Minister for Sport and Recreation representing the Minister for Tourism:

(1) Has the Minister received a letter of complaint from the Bridgetown-Greenbushes Tourist Bureau relating to the recent booklet on regional tourism?

(2) Are the charges contained in that letter of the gravest kind?

(3) Will she indicate what action, if any, she will take as a result?

Hon GRAHAM EDWARDS replied:

(1) Yes.

(2) It is quite obvious that all attractions cannot be included in such publications. It is regretted that the Bridgetown-Greenbushes Tourist bureau is disappointed, but this should not be allowed to detract from the overwhelming support that the publication has received from the industry and the public of Western Australia.

(3) The rationale for the publication will be detailed in the Minister's response to the Bridgetown-Greenbushes Tourist Bureau; and the Minister will be happy to provide the member with a copy of her reply.

STATE GOVERNMENT INSURANCE COMMISSION
Road Service

485. Hon P.G. PENDAL, to the Leader of the House representing the Treasurer:

I refer to question 423 of Tuesday, 10 November in the Legislative Council.

(1) Does the State Government Insurance Commission have any plans or intentions to introduce any type of road service?

(2) If so, will he give details?

(3) If there are no plans now, will he confirm that plans were under consideration?

(4) If yes to (3) will he say why those plans were abandoned?

Hon J.M. BERINSON replied:

(1) No.

(2) Not applicable.

(3) No plans were under consideration for a roadside service.

(4) Not applicable.

CRIME: FORENSIC INVESTIGATIONS
Standardisation

486. Hon P.G. PENDAL, to the Leader of the House representing the Premier:

(1) Is it correct that an abbreviated version of the Morling report into the Chamberlain inquiry is soon to go before the WA Cabinet?

(2) Is this occurring as a prelude to the standardisation of forensic practices across Australia?

(3) Is he aware of concern among scientists that there are inaccuracies in this report which, if accepted, will adversely affect standardised forensic procedures?

Hon J.M. BERINSON replied:

(1) No, but Cabinet has been apprised of the report.

(2) No.

(3) No, but Western Australia is involved in a thorough consideration of the Morling report in conjunction with other forensic laboratories in Australia and New Zealand.

WA OPERA COMPANY
Government Assistance

487. Hon P.G. PENDAL, to the Leader of the House representing the Minister for The Arts:

Given that the financial year for the WA Opera Company begins on 1 January, can he advise --

(1) When the promised Government financial assistance will be paid to the company and how much it will be?

(2) On the grounds that the company planning, including staffing, is extremely difficult without this funding, can he have the funds expedited as quickly as possible?

Hon J.M. BERINSON replied:

(1)-(2)

Annual operating grants are provided to 16 major arts organisations in Western Australia by the State Government through the Department for the Arts. The WA Opera Company is one of these 16 organisations.

Annual operating grants are paid quarterly in equal instalments. The first payment will be in December, subject to organisations, including the WA Opera Company, accepting the offer of assistance, and signing standard conditions and requirements of grant contracts. The organisations, including the WA Opera Company, are receiving offers of 1988 grant assistance by letter today.

TRANSPORT: BUSES
Lathlain-Victoria Park

488. Hon P.G. PENDAL, to the Minister for Sport and Recreation representing the Minister for Transport:

(1) Is it correct that there is no direct bus route from the area of Custance Street, Lathlain, to the Victoria Park shopping area?

(2) If yes, can he look into the possibility of providing either a new bus route or an extension of an existing bus service to enable residents of inner Lathlain to travel to the Victoria Park shopping area direct?

Hon GRAHAM EDWARDS replied:

(1) Yes.

(2) Custance Street is serviced by bus route 310, which traverses the inner Lathlain area en route from Perth to Cloverdale. During shopping hours, buses on this route deviate to Belmont Forum Shopping Centre. As the demand for public transport from inner Lathlain to Victoria Park is very limited, the provision of a direct service is not envisaged. However, by transferring from route 310 to a frequent Victoria Park service at the west end of the Causeway, public transport does provide for travel to Victoria Park shops. The 310 service does pass within 500 metres of the main Victoria Park Shopping Centre, which is situated between Harper and Duncan Streets.

GLASS ARTIST
Workshops

489. Hon P.G. PENDAL, to the Leader of the House representing the Minister for The Arts:

(1) Is it correct that two glass artists were brought from the Eastern States recently to conduct workshops at the Prism Gallery in Fremantle?

(2) Were their travel costs subsidised and, if so, what is the total amount?

(3) Is this expertise not available in WA?

Hon J.M. BERINSON replied:

(1) Prism Gallery is a private gallery, which has arranged its own programme of exhibitions and visiting artists in 1987. As a private concern, it is not eligible for State arts support. The member is welcome to contact the gallery directly for any details of its 1987 programme.

(2) No.

(3) Not applicable.

"MERCHANT BANK"
Use

490. Hon P.G. PENDAL, to the Attorney General:

(1) Does the use of the term "merchant bank" come under State or Commonwealth law?

(2) If a matter of State law, will he consider limiting the use of any term describing a business as a "bank" to those institutions which have a direct relationship with the Reserve Bank of Australia?

(3) If no to (2), is he aware that many people in the community have come to believe that the words "merchant bank" give such an organisation the same status as a bank in the ordinary understanding of that term?

(4) If this is not a matter of State law, will he ask his Federal counterpart to consider action aimed at clarifying in the public mind the use of the term?

Hon J.M. BERINSON replied:

(1) The use of the word "bank" is governed by Commonwealth law.

(2)-(3) Not applicable.

(4) I am not aware that there exists in the community a belief that the organisations described by some as "merchant banks" have the status of traditional banks.

QUESTIONS WITHOUT NOTICE

LEADER OF THE HOUSE
Legislative Assembly Seat

456. Hon N.F. MOORE, to the Leader of the House:

Will the Leader advise the House whether there is any truth in newspaper speculation that he is to seek a seat in the Legislative Assembly in the near future so as to succeed Mr Burke as Premier?

Hon J.M. BERINSON replied:

No.

Hon P.G. Pendal: Thank goodness for that.

Hon J.M. BERINSON: That is, no, I will not inform the House.

Opposition members interjected.

Hon J.M. BERINSON: I am not prepared to comment on the question because I am not prepared to add to the speculation on that subject.

LEGISLATIVE COUNCIL
1988 Sittings

457. Hon NEIL OLIVER, to the Leader of the House:

What date in February is it envisaged that the House will resume sitting?

Hon J.M. BERINSON replied:

I do not have a timetable of the sitting dates for next year. However, I believe one has been distributed by the Leader of the House in the Legislative Assembly. I do not have any information beyond that.

LEGISLATIVE ASSEMBLY
1988 Sittings

458. Hon NEIL OLIVER, to the Leader of the House:

I am not aware of the date that the Legislative Assembly will resume sitting. However, we usually sit a week after it commences and sit for a week following its rising.

Will the Leader of the House indicate on what date it will sit next year?

Hon J.M. BERINSON replied:

I understand that the scheduled meeting date for both Houses is 12 April.

EMMAUS WOMEN'S REFUGE
Auditor's Report: Tabling

459. Hon N.F. MOORE, to the Minister for Community Services:

In view of the Minister's assurances to the House last week that the auditor's report into the affairs of the Emmaus Collective provided no evidence of misappropriation of funds, why will the Minister not table the report?

Hon KAY HALLAHAN replied:

I will answer the question as I answered it last week. The document was a departmental working document and was not prepared with a view to tabling it in the House or anywhere else. I am not prepared to table it in the House for public information.

Hon N.F. Moore: It is the collective's money?

Hon KAY HALLAHAN: I am administering it on behalf of State and Federal Governments.

PARLIAMENT
Prorogation

460. Hon NEIL OLIVER, to the Leader of the House:

I am surprised that the Houses should be commencing so late next year. That is almost exceptional in a State election year. Will this Parliament be prorogued?

Hon J.M. BERINSON replied:

I have no knowledge of plans in that respect.

PARLIAMENT
Prorogation

461. Hon NEIL OLIVER, to the Leader of the House:

Is it possible for the Leader of the House to attempt to ascertain that information and make it available to the House?

Hon J.M. BERINSON replied:

I can make inquiries, but thinking back on past practices it is quite often the case that decisions on questions of that sort have not been made until the Parliament has risen.