

Legislative Assembly

Wednesday, 30 August 1989

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

PETITION - RACISM

Illegal Posters - New Legislation

DR ALEXANDER (Perth) [2.17 pm]: I have a petition in the following terms -

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

We, the undersigned, support the concept of a multicultural Australia. We urge the State Government to introduce legislation to make illegal, posters of a racist nature, and to allow for the prosecution of groups and individuals promoting such material.

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

The petition bears 667 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 19.]

PETITION - MINERAL SANDS

Road Transportation - Opposition

MR BLAIKIE (Vasse) [2.18 pm]: I have the following petition -

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

We, the undersigned, are totally opposed to the transportation by road of mineral sands from the Nannup region using the existing road systems to the Bunbury region.

We believe that all minerals should be transported by rail in the interests of safety and the future of the tourism industry in this area and that the existing railway land between Capel/Busselton and Busselton/Nannup should be retained for this purpose.

Failure to recognise the importance of rail transport will increase road traffic on already busy roads and lead to an increase in the number of road accidents and road traffic fatalities.

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

The petition bears 976 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

A Government member: Did you sign it?

Mr BLAIKIE: No.

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

[See petition No 20.]

PETITION - EDUCATION

Crisis - Quality Education System

DR WATSON (Kenwick) [2.20 pm]: I have a petition which reads as follows -

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

We, the undersigned urge the State Government to address the current crisis facing education.

We believe that a quality education system is vital to the future of this state.

Further, we insist that the Government does all within its power to:

- i. Retain quality experienced teachers within Government Schools
- ii. Attract the highest quality graduates possible to the teaching profession.

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

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

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

[See petition No 21.]

PETITION - ABORTION

Protection - Opposition

MR MacKINNON (Jandakot - Leader of the Opposition) [2.22 pm]: I have a petition which reads as follows -

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

The humble Petition of the undersigned citizens of Western Australia sheweth:

- * That every abortion kills an unborn baby
- * That the Right to Life of all human beings is the most fundamental and essential of all human rights
- * That unborn babies are the most helpless and defenceless humans, whom our government is duty bound to take extra steps to protect
- * That since 1980, over 55,000 Western Australian babies have been killed in abortion, thus indicating the need to uphold the Law protecting unborn babies in this State
- * That government be asked to uphold, enforce, and tighten W.A. Law to stop the abuses which are obvious by the above, and to use all the means at its disposal to protect the Right to Life of all Western Australian babies.

And your Petitioners as in duty bound, will ever pray.

The petition bears 30 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 22.]

A similar petition was presented by Dr Watson (15 signatures).

[See petition No 23.]

PETITION - HERITAGE BILL

New Legislation - Priority

MR GORDON HILL (Helena - Minister for Regional Development) [2.24 pm]: I have a petition which reads as follows -

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

We, the undersigned, earnestly petition:

That the State Government introduce the Heritage Bill to the State Parliament as a priority in this session of Parliament.

We firmly believe that protection of our historical buildings and areas needs to be urgently addressed and we urgently require this attention being given to the Guildford and Midland areas, because of the special historical nature of these areas.

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

The petition bears 301 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 24.]

STANDING ORDERS SUSPENSION - PREMIER

Censure Motion

MR COURT (Nedlands - Deputy Leader of the Opposition) [2.28 pm]: I move, without notice -

That so much of Standing Orders be suspended as would enable the consideration of a motion to be moved forthwith by the Leader of the Opposition to censure the Premier of Western Australia for his demonstrated lack of honesty and integrity in the provision of information and answers to Parliament.

The SPEAKER: Before putting the motion I indicate that to be successful the motion requires an absolute majority. If when putting the motion there is any voice to the contrary I will have to divide the House.

MR PEARCE (Armadale - Leader of the House) [2.29 pm]: The Government is prepared to accept this suspension of Standing Orders so that the House may consider the motion the Opposition seeks to move. However, to avoid any misunderstanding about the terms upon which the Government is agreeing to the moving of the motion I will outline the agreement that has been made with the Opposition over this matter.

The Government intends to move a motion with regard to the effect on the economy of Western Australia of the pilots' strike. We want that motion to be considered by the House at an early stage. Therefore, the understanding that the Government has with the Opposition this afternoon is that we will not contest the suspension of Standing Orders so that the substantive issues can be discussed, which is the best way. At 4.30 pm today suspension of debate will occur in order to allow for the Government to move the further suspension of Standing Orders to allow discussion in Parliament of a motion with regard to the pilots' strike. If it is necessary, we will return to conclude debate on the motion which the Opposition is seeking to move. The Opposition has given an undertaking of that use of parliamentary time.

I hope also we would conclude the Address-in-Reply today so that we can proceed with Budget matters as planned tomorrow.

Question put and passed with an absolute majority.

MOTION - CENSURE

Premier

MR MacKINNON (Jandakot - Leader of the Opposition) [2.31 pm]: I move -

In the opinion of this House, the very foundation of democratic government is based on the honesty and integrity of the executive government, especially in its provision of information and answers to Parliament which, in terms recently stated by the Burt Commission, is at the centre of responsibility and accountability to the public; therefore this House expresses its abhorrence and rejection of the conduct of the Premier in particular, and his Ministers:

- (1) through the hypocrisy of the Premier in expressing support and adoption of the Burt Commission's principles and then secretly and deviously entering into an agreement and arrangements for guarantees with Bond interests just days before the State Election in relation to the Petrochemical project;
- (2) by deliberate and calculated falsehoods told to Parliament and the public concerning the Rothwells/Petrochemical project and the vast obligations

secretly undertaken, but denied or not disclosed as it was the Premier's obligation to do so;

- (3) with a continuing and wilful course of conduct in relation to the Petrochemical project involving obligations, the Premier himself in a post-election situation now acknowledges to be onerous and oppressive;
- (4) by the Premier's totally unsubstantiated allegations, which are serious and possibly criminal in nature, in an attempt to direct attention from the Government's and his own serious credibility problem over the Petrochemical project;

and therefore censures the Premier and calls on him to resign forthwith and advise His Excellency, the Lieutenant Governor to call a general election to allow Western Australian electors properly to judge:

- (a) the dishonesty of the Premier and his Government; and
- (b) the incompetence of the Government as amply demonstrated by losses of taxpayers funds exceeding \$650 million.

The centrepiece of the motion is what this session is all about - the credibility of the Premier and his Government. I refer, first, to the fourth point of the motion. Last night the Premier made serious allegations in the Parliament; he seriously overstepped the mark in doing so. Those serious claims must be pursued.

I wish to place on record in this House that the Liberal Party will not turn a blind eye to the allegations, the seriousness of them, and the implications contained therein. Under some laws in this State it is an offence to withhold information from the police that would lead to serious convictions if proved. In Western Australia, people are in gaol for attempting to do what the Premier is doing now; that is, not pursuing the serious allegations he has made about Bond Corporation. As a consequence, and as a result of the Premier's allegations, I have referred those matters to the Corruption Commission today. The commission will examine the allegations, as serious as they are, to see whether there is any truth in those matters and whether a breach of the Criminal Code has occurred. If so, the commission can and will refer that information to the appropriate agency.

We will take that action for very good reasons. We want no doubt at all either in the Parliament or in the public arena that we do not condone the actions outlined by the Premier in his statement last night. The claims are serious and should not go unchallenged. The Premier's claims go to the very core of our democratic system. If, as the Premier said, the claims are true and are allowed to go unchallenged, every person who comes to Western Australia to do business with the Government will think he can proceed in the same way - as reprehensible as it is. That is the standard that this Premier is saying is acceptable in Western Australia.

Mr Peter Dowding: It is not acceptable!

Mr MacKINNON: It is not acceptable to the Opposition. What is the Premier intending to do about it?

Mr Peter Dowding: I reported on it to Cabinet and to Parliament, that is why it is not acceptable; that states it is not acceptable.

Mr MacKINNON: In other words, the Premier took out bread soaked in milk and slapped them over the wrist.

Mr Pearce: It shows that kind of business does not work in Western Australia.

Mr MacKINNON: The Premier did nothing but attempt to divert attention from the central issue which we are debating today. We are not prepared to accept that. We legislated for and brought forward the Corruption Commission for this purpose and we will now refer the information to the commission. Yesterday, the Premier claimed in the Parliament that he had evidence to substantiate the claims he made. Yesterday, when I was speaking about the astounding allegations made about a request by Bond Corporation I asked, "Did the Premier table any documentation?" The Premier responded, "Those allegations have been documented." I then said, "Did the Premier table those documents?" The answer received was, "No." When I asked, "Will the Minister table them?" the Premier answered, "I will give consideration to that." I now ask, has the Premier considered it?

Mr Peter Dowding: You will hear from me later in the debate.

Mr MacKINNON: Has the Premier considered it; will he table the documents?

Mrs Beggs: This is not question time.

Mr MacKINNON: We will hear from the Premier at the end of the debate. When the Premier responds, I predict we will hear another series of totally unsubstantiated and wild allegations.

Mr Kierath: How unusual!

Mr MacKINNON: Yes, how unusual. The Corruption Commission will want to hear evidence and see the documentation referred to by the Premier. Members should note that the Corruption Commission can seek all the information - if the Premier is prepared to give it. If the Premier is prepared to do so it will be given in a secret way with no public disclosure but on the basis that that independent body can make a judgment as to whether there is a case to answer. From my reading of the Criminal Code, there appears to be a case to answer.

The result of that inquiry will be one of two things; firstly, action will be taken by the Commission on Corruption, and a reference will be made to the appropriate agency for prosecution if the commission finds there is any breach of the Criminal Code. Alternatively, the Premier's credibility will be irreparably and permanently damaged. It has already been seriously damaged, but if the Premier is not prepared to cooperate and does not provide the evidence, what is going to happen? His credibility was on the line before this parliamentary session began. It is now on the line in spades, and well he knows it.

Mr Pearce: You told him it was destroyed yesterday. Now you are saying it is on the line.

Mr Peter Dowding: He has been saying nasty things about me ever since I became Premier. He threatened to bring me down the day I was appointed Premier.

Mr MacKINNON: I will not have to wait very much longer to see the Premier's demise. I wondered not why he took the action he did yesterday, because it was entirely predictable that he would try and somehow paint the Opposition as being in league with Bond Corporation, but why he went so much out on a limb. I found a fax in my office today which I will read because it really does throw new light on the actions of the Premier. It states -

It has been mentioned to me that yesterday's outburst by Dowding was as much intended to head off Parker as anyone else. It was thought that Parker may try to oust Dowding and do a deal with Bond.

Several members interjected.

The SPEAKER: Order!

Mr MacKINNON: The note went on to say -

By what he did yesterday he sank the opportunity for Parker to make the deal and also set Parker up to be the "bunny" for all the criticism.

Mr Peter Dowding: I am doing a lot better than you in the leadership stakes.

Mr MacKINNON: That fits very much in line with the information that I have been receiving out of one Minister's office; not only that information, but other information which we will disclose later in today's parliamentary sitting.

Mr Pearce: Who was the fax from? You are not very well placed to come into the Parliament and say everybody should be telling the whole truth when you are not prepared to say who that fax was from. Live by your own standards.

Mr Shave: It was probably your fax and you wouldn't sign it. You probably sent it.

Mr MacKINNON: I do not want to embarrass the Minister so I will not disclose it.

Turning to the motion and the points that have been made therein, as we have demonstrated previously both inside and outside this Parliament the Government flew directly in the face of the Burt commission report on 26 and 27 January. On those days the Government signed new documentation which was tabled in this Parliament yesterday directly in contravention of the Burt commission report which was in fact tabled on 22 January.

Mr Peter Dowding: It is not. What a load of baloney.

Mr MacKINNON: In direct contravention. It is quite clear if one reads the documents. I quote one of them:

The provisions under which Western Australian Government Holdings Ltd operates fail to satisfy, and are incapable of satisfying, any of the accountability criteria set out earlier in this report and it is the Commission's recommendation that, in order to achieve the accountability and public scrutiny to which its terms of reference are directed, it will be necessary to reconstitute this agency as a statutory agency and which will observe the accountability criteria set out earlier in this report. The Northern Mining Corporation (Acquisition) Act should be repealed.

The Premier said -

That was a specific recommendation on 22 January. I adopted and endorsed every single recommendation of the Burt Commission without qualification.

However, what did he do on 26 and 27 January? He in fact updated and upgraded the commitment that was due by the Government through WA Government Holdings in direct contravention of the Burt commission report. Then what did he do? He did not tell anybody.

Mr Shave: Not a letter of comfort, was it by any chance?

Mr MacKINNON: The only comfort was that he did not tell anybody. He deliberately withheld that information from the public of Western Australia in direct contravention of the whole intent, purpose and direction of the Burt commission. Did the Premier deliberately mislead the public in that way? The answer is clearly yes. Did he contravene his own rules as laid down on the 22 January?

Mr Peter Dowding: No, absolutely not.

Mr MacKINNON: Absolutely, categorically, yes. Does the Premier mean that the Burt commission supported his keeping that renegotiation secret?

Mr Peter Dowding: If the Leader of the Opposition listens to me he will find parts of the Burt commission report read out which he has obviously never read and I think that is a bit poor.

Mr MacKINNON: I read it quite specifically and the Premier without doubt flew directly in the face of that aspect. Would the disclosure of that information have affected the election result given - it is important in the current climate - that Mr Bond was a major supporter of the Government and a major beneficiary of that renegotiation?

Mr Peter Dowding: What a load of nonsense!

Mr MacKINNON: Who else benefited?

Mr Peter Dowding: The community benefited.

Mr MacKINNON: The community? Fifty three per cent of the petrochemical project was owned by Bond Corporation. The documentation was designed to ensure that the major shareholder was given comfort just days prior to the election.

Mr Peter Dowding: That is not correct.

Mr MacKINNON: Then why did the Premier not wait until after the election?

Mr Peter Dowding: Because there were a series of requirements in place which the people who were running WA Government Holdings insisted on.

Mr MacKINNON: Let us examine that statement that there were a series of commitments which the people who were running WA Government Holdings insisted on. Who is the major shareholder in WA Government Holdings? The Government of Western Australia. Who appoints all of the directors of WA Government Holdings? The Premier. He is saying that there were matters which those directors absolutely insisted on completing about five to seven days ahead of the election which could not wait a week. I suggest that the only reason the Government signed those documents on 26 and 27 January was because it feared it would lose the election.

Mr Peter Dowding: Come on! You were the only person who thought you were going to win!

Mr MacKINNON: The Government knew that the only way that it could give comfort to its biggest supporter pre-election was to actually change the documentation.

Mr Peter Dowding: What a load of nonsense!

Mr MacKINNON: As the Premier well knows, and documentation tabled in recent days indicates, there was serious doubt about the credibility and the accuracy of the guarantees given by the Government. It had to secure that new agreement before the election.

Mr Peter Dowding: That is not true.

Mr MacKINNON: It is absolutely true. The Premier comes in here and claims that it was because WA Government Holdings insisted on it when the Premier represents the major shareholder and appoints all of the directors. I ask again, who was the biggest beneficiary of that particular deal? The Bond Corporation was the biggest beneficiary and that is why it was kept secret. That is why the Premier is trying to distance himself from the Bond Corporation. He knew that disclosure at that time would have sunk any semblance of chance he would have had at that time of winning the election. The question is, was it deliberate? Of course it was deliberate. Was there a guarantee? Of course there was a guarantee and the Premier admitted it only yesterday. There can be no more untruths about whether there is a guarantee. Those words came out of the Premier's mouth yesterday.

In light of yesterday's comments in this House the first aspect of this motion is very important. The Premier did fly in the face of the Burt Commission on Accountability report. Not only did he do that by resigning the documents on 26 and 27 January, but also he was endeavouring to do so before the election for the benefit of one group only.

Mr Peter Dowding: I have to tell you that that is an absolute nonsense.

Mr MacKINNON: The Premier said that he would not answer my question a moment ago. He said he would respond when he had the opportunity to speak and he can do that at the appropriate time.

The second part of the motion relates to the deliberate and calculated falsehoods perpetrated by the Premier and his Ministers. There are too many for me to enumerate even though I still have 40 minutes in which to speak on this motion. However, I will touch on four aspects relating to that part of the motion.

The first aspect relates to the whole question of the Burt Commission on Accountability report. I have clearly outlined the areas in which the Premier acted in direct contravention of the recommendations of that commission. As a consequence of the commission's report the Government introduced legislation into this Parliament. I have said on many occasions that I have read through the debates on that legislation which took place in both Houses of this Parliament. I noted the comments made by the Deputy Premier when he introduced the Bill on behalf of the Premier. Also, I have read the remarks made by the Premier during the second reading debate and not once did I find any reference to the real reason the Bill was in the Parliament. The reason it was in the Parliament was outlined in the petition lodged in the court some time ago on behalf of the Government. The reason is the same as that outlined in the comments made by the Premier yesterday in his prepared statement. Clause 18 of the petition reads as follows -

The State, although under no obligation to do so, sought to overcome the perceived difficulties with the Treasurer's guarantee under the Northern Mining Corporation (Acquisition) Act 1983 by introducing into Parliament the Western Australia Petrochemical Industries Authority Bill 1989 ("the Bill"). The Bill would have constituted a new statutory authority to succeed to the assets and assume the liabilities of WAGH in relation to the Project. The Bill failed on 9 May 1989.

The Government indicated in its petition to the court that the real reason for the Bill was the perceived difficulties in relation to - dare I mention the words again - the Treasurer's guarantee.

Mr Kierath: Was it a guarantee or a letter of comfort?

Mr MacKINNON: The document presented to the court did not say it was a letter of comfort: It says it was a Treasurer's guarantee. Not once during the debates that took place in this Parliament or even after the election did the Premier or his deputy come clean. It was

a deliberate attempt on their behalf to mislead the Parliament. I ask again whether it was deliberate. Of course it was. Was it calculated? It definitely was. Was it designed to mislead the Parliament? Would any member in this Parliament, regardless of the party they represent, have supported that legislation had the truth been known at the time and had the Government admitted there was a problem with the guarantee which it secretly signed on 26 and 27 January? Of course they would not have supported it. If the truth had been known before the Bill was debated in this Parliament, would the debate have been affected because of it? I do not think there is any doubt that under those circumstances it would have affected the debate.

I go back to July 1988 when the petrochemical saga began. The documentation tabled by the Government yesterday will be perused by the Opposition this week in order to obtain details from it. One of the documents indicates something about which I was not aware. I refer to the fact that the petrochemical arrangements, as first agreed, were negotiated by Mr Grill, together with the State Energy Commission, with the petrochemical company. It is in direct contravention of the Premier's claim which we will subsequently prove; that is, that the Government agreed to pay \$175 million at that time - it had nothing to do with valuations down the track. It was agreed to in July 1988.

I turn now to October last year and to the way in which the Government became involved in the deal via the Rothwells' rescue. I will refer to some of the statements made by the Premier and his colleagues at that time because they make interesting reading. On 17 October 1988 the Premier said -

The Western Australian Government has completed negotiations which will see it take an equity stake in a petrochemical plant.

Premier Peter Dowding said the appropriate agreements had been signed in Perth this afternoon. (Monday 17th October.)

Mr Dowding said the signing of the agreements cleared the way for detailed work to begin on planning the construction of the plant. It was hoped the first of a 17-hundred strong construction workforce would be on the site before Christmas.

The problem is that he did not say which Christmas. The Premier made a very interesting statement in answer to a question asked by the Deputy Leader of the Opposition on 20 October. The question was about non recourse finance and the second part of it reads as follows -

If yes, is the Government at risk with the borrowings until the project is completed and operating correctly?

His answer was as follows -

My impression, from the Minister for Economic Development and Trade's words, was that it is quite clear that the risk now lies on shoulders other than the Government's.

Perhaps the Premier could explain to me, now that the project is in difficulty, the reason that the only organisation which has put money into this project is the Government of Western Australia.

Mr Peter Dowding: You will have to rephrase your question because it is a bit incomprehensible. Try again.

Mr MacKINNON: It is a pretty simple question and the Government is not prepared to answer it.

Mr Peter Dowding: Just rephrase it and I will answer it.

Mr MacKINNON: The statement made was that it is quite clear that the risk lies on shoulders other than the Government's. Why has the Government paid money for this project?

Mr Peter Dowding: Because of the interim financing obligation, which we have referred to in this Parliament on previous occasions. It was the interim financing arrangement for the project; that is, until the finance was in place, and as we have said in the House quite publicly, the funding obligation would be the interim financing.

Mr MacKINNON: On 21 October the Premier made the following statement and I repeat that it was nothing more than a Rothwells' rescue -

Mr Dowding said finance for the project was self-supporting and would not impact on taxpayers or Government revenue.

Mr Peter Dowding: That is what we said was involved in project financing which was the basis on which the First Boston Corporation of New York's report said - given the levels of comfort proposed - the project financing would be able to be put in place. That is not an interim financing obligation.

Mr MacKINNON: Why was that not spelt out in the Premier's statement?

Mr Peter Dowding: That was the basis of the advice from the First Boston group.

Mr MacKINNON: I have the statement in front of me and there is nothing like that in it.

Mr Peter Dowding: That is not the case. The Leader of the Opposition now has advice from First Boston which makes that clear.

Mr MacKINNON: That is interesting. We now have that advice on the Table of the Parliament. It quite clearly shows the risk, which is laid on the shoulders of the Government and nobody else, either during construction or at completion of the project. The Premier, while having full knowledge of those documents, and having agreed to all of those matters, said that finance for the project was self supporting and would not impact on taxpayers, or on Government revenue. Again, I must be missing something. Perhaps the Premier can explain to me why the Deputy Premier said a couple of weeks back that the Government had paid out \$19 million to meet its PIL obligations and paid \$20 million off the \$75 million borrowed to put in to PIL. Why is it that the Government is repaying the principal on those loans?

Mr Parker: For reasons of prudence.

Mr MacKINNON: The Government is paying a loan for PIL.

Mr Parker: To PIL.

Mr MacKINNON: For PIL. WA Government Holdings has borrowed \$75 million.

Mr Parker: Correct.

Mr MacKINNON: Given or lent it to PIL.

Mr Parker: Correct.

Mr MacKINNON: The Government has paid \$20 million off the principal.

Mr Parker: We have lent the money rather than the borrowings coming from external sources. We have lent money to WA Government Holdings, which is the \$20 million to which the Leader of the Opposition refers. This is so that it can reduce its borrowings.

Mr MacKINNON: That is interesting. The Treasurer says, "We have lent it ourselves." In other words, \$20 million of taxpayers' money is being paid off the principal for Petrochemical Industries Ltd, that is what the Government is doing.

Mr Parker: We are not, because the amount is still owed -

Mr MacKINNON: The Deputy Premier can use semantics because, as the member for Kingsley said last night, he is a past master at verbal gymnastics. The fact is that the Government borrows from bank A, provides that money to PIL, and repays \$20 million of the principal of that loan from its own funds, which are taxpayers' funds. Why is it doing that? Why are taxpayers putting \$20 million towards repaying a loan if there is no commitment from the Government to do so.

Mr Parker: That has not altered the amount that PIL owes WA Government Holdings, at all.

Mr MacKINNON: I did not say that it did, but it is the taxpayers of Western Australia who are repaying \$20 million for PIL. Why?

Mr Parker: We are not paying it to PIL; the amount was advanced by WA Government Holdings to PIL.

Mr MacKINNON: WA Government Holdings is the warehouse that we spoke about before, the intermediary whereby the money goes to PIL. In effect, PIL is borrowing money, but in

the end the Government has paid off the \$20 million for PIL. Why? PIL now owes that money to WA Government Holdings - or the Government, indirectly - but why is the Government repaying that principal? It is doing so for the reasons which I have given all along and which are reflected in the Premier's comments. The project was not self supporting and the impact on taxpayers' revenue or Government revenue has been significant. An amount of \$20 million came out of Consolidated Revenue Fund last year for that project. It would seem to have a much higher priority than schools, hospitals, police stations and many of the other public works in this State that are crying out for financial support. Why did the Government make this payment? It did so because it had no alternative - it had guaranteed the project and locked itself into it.

I could go on to explain how the Leader of the Government in the Legislative Council, Hon Joe Berinson, misled the Legislative Council, but my colleagues have been doing that well enough. I could also go on to explain how many times the Deputy Premier has deliberately, wilfully, and purposefully misled this Parliament, but my colleagues did that well enough last night. It is sufficient to say that if one ever had any doubts - and I have never had any whatever - that there were guarantees in place one needs only to read the letters from the Premier and his deputy which were tabled in this Parliament yesterday. They indicate quite clearly that not only was a guarantee in place, but also that the intentions of the Government and the Premier were quite clear. The Premier's letter concludes -

The form of guarantee attached to the draft deed -

Not "may" or "might" but -

will be executed by me as soon as practicable after execution of the deed itself, and subject only to the approval of the Governor...I will be recommending that the Governor approve the issue of the guarantee.

Mr Peter Dowding: To whom? To WA Government Holdings. That is what we have said repeatedly.

Mr MacKINNON: That condemns the Premier and his deputy out of the Premier's own mouth. He said over and over again yesterday that none of these things would happen. The Deputy Premier has said that WA Government Holdings has not entered into any form of de facto guarantee, etc.

Mr Peter Dowding: The Leader of the Opposition has just said that that is not a guarantee. That is a guarantee from the Treasurer to WA Government Holdings. It is a guarantee, not by it, but to it.

Mr Hassell: It is not a guarantee, but it is a guarantee.

Mr MacKINNON: That is how the Premier does it; it is not a guarantee - it is a guarantee! It is interesting that the member for Kingsley, who is one of our newer members of this Parliament, has picked up the verbal gymnastics of the Premier from almost the day she arrived here. She caught him out on the day that she arrived here, although that is not difficult to do.

Several members interjected.

Mr MacKINNON: Let us look at what is happening now that the heat is on the Premier. Is the Premier now a born-again "truthsayer"? I am afraid not. One has only to look back to 13 August - and I have been watching the Premier's performance on television and the media recently with great interest - to note the comments he made about Leon Musca's evidence. He was on that occasion talking with Geraldine Mellett about -

Point of Order

Mr PETER DOWDING: I have received a letter from the solicitors acting for Mr Musca which suggests that any debate about this matter might affect adversely a variety of procedures. I am not minded to stop this debate because I might well enjoy the opportunity it provides, but I must tell members that as soon as I try to start a debate one of the brethren across the way starts raising points of order, so I think I should say that if I am being a little sotto voce about this matter it is because I know that other people have a different view about the propriety of such a debate being held in this place, bearing in mind two things; firstly, that Mr Musca's evidence relates to matters in respect of which criminal trials are currently under way and, secondly -

Mr Clarko: The sub judice rule won't save you forever, you know.

Mr PETER DOWDING: I am champing at the bit.

The SPEAKER: Order! I am prepared to hear the Premier further on his point of order. Members in this place, particularly my friend from the same class of 1974, know it is highly improper to interject during a point of order. I would appreciate it if he would not do so again.

Mr PETER DOWDING: Not only are there matters before the Criminal Court in relation to this subject, but equally importantly I should say that it is highly likely that there will be other litigation in other courts relating to this matter, as well. I do not want to stop my friend on the other side, but I would love the opportunity to say a few words on the subject. However, I thought I should respect both the civil and criminal actions which are connected with it. It is up to members whether they want the Leader of the Opposition to continue.

The SPEAKER: I, of course, have a different point of view from some, but I am at the mercy of the House in respect of the attitude it wants to take. My point of view, unless challenged, is that I have no evidence to indicate that this matter, or in fact any other matter, should be sub judice at this time, and that is the point of view I shall take.

I want to caution members, as I have done a number of times in the past, in respect of sub judice matters. They should be particularly careful about matters which they raise, and if they have any knowledge of a matter which should be treated as sub judice they have a duty to draw it to my attention.

Debate Resumed

Mr MacKINNON: Thank you for your guidance, Mr Speaker. Let me hasten to add that nothing I shall be quoting from in this interview reflects on, or refers to, either Mr Musca or Mr Dowding in their direct contradictions or comments about one another; it relates specifically to comments made by the Premier in that interview in relation to matters quite germane and specific to this debate. It was not my wish to intervene or upset those proceedings in any way.

Mr Peter Dowding: Just remember that there are criminal proceedings as well in relation to which I understand some of these matters are involved.

Mr MacKINNON: I understand that, but nothing I will say will cut across that.

We have already heard that on 17 October the Government signed the PICL deal and claimed that as a consequence its guarantee had been retired. That was the justification for signing the deal - that the Government had got rid of the guarantee. On 25 October, in this House, the Premier indicated in debate -

I have said absolutely and unequivocally that I am proud we have been able to take steps to remove the exposure of the State in respect of the Rothwells guarantee, and we have at the same time ensured, by taking an equity position, that this project will be achieved for Western Australia.

The Premier was saying on 25 October - and he does not deny it now - that the Government in fact had withdrawn the guarantee as a result of that deal. I asked the Deputy Premier this question the very next day -

Is the Rothwells' guarantee and all liability under it now released?

Mr Parker said, in part -

The \$150 million facility has been withdrawn and the indemnity is inoperative.

That was quite clear and straightforward.

Mr Parker: And right.

Mr MacKINNON: I agree with the Minister in terms of his comments in the Parliament. What did the Premier then say in his interview with Geraldine Mellett? Let me quote this.

Mr Peter Dowding: Which day was this?

Mr MacKINNON: This concerned the events of 13 October.

Mr Peter Dowding: The interview on 13 August?

Mr MacKINNON: On the "7.30 Report".

Mr Peter Dowding: The interview on 13 August this year referring to events when?

Mr MacKINNON: On 19 and 20 October 1988.

An Opposition member: Would you like to see the video?

Mr Peter Dowding: It might help me to remember.

Mr MacKINNON: It might be a good idea to get the video and compare it with what Mr Musca said. I think it would be an interesting disclosure. This is the Premier -

The political disclosures were that if Rothwells fell over, that would be very bad for the Government, and I made it clear that if it were bad for the Government, so what, that was not going to change the judgement that I have made, and that was that the taxpayer should not be the sole recipient of any burden to keep this organisation going. The taxpayer had done enough. I think what they had done was proper in the circumstances, but it was not enough.

Geraldine Mellett then said -

Is that a political disclosure? If Rothwells fell over, I mean it was not in a sense anything to do with the Government.

The Premier said this -

What do you mean it wasn't in a sense to do with the Government? The Government had a guarantee standing behind Rothwells of \$150m.

That was public knowledge at the time. We have just heard the Deputy Premier say to me that that was exactly true.

Mr Parker: That is right.

Mr MacKINNON: The guarantee of \$150 million had been withdrawn and the indemnity was inoperative. The Premier himself said the same thing. In that interview he tries to indicate that the Government had a guarantee standing behind Rothwells at that time.

Mr Peter Dowding: It does not say that; it says the Government had a guarantee standing behind Rothwells.

Mr MacKINNON: The Government had a guarantee standing behind Rothwells of \$150 million. That was public knowledge at the time.

Mr Peter Dowding: That is right.

Mr MacKINNON: Then Geraldine Mellett said -

That was public knowledge at the time, therefore it wasn't a disclosure.

The Premier said -

The suggestion was clearly that if Rothwells fell over, the Government might be called upon to meet that guarantee and that would have been very embarrassing for the Government.

How could it be embarrassing when the Premier and his Deputy, in answers to the Parliament, confirmed a couple of moments ago that the \$150 million had been withdrawn and that the indemnity was inoperative? Let us cast our minds back to October last year and to the basic judgments made about going into the Rothwells affair to get rid of the \$150 million. We now have it working for us. It is not sitting idle, it is working for us. In the interview with Geraldine Mellett a few days ago the Premier again told a blatant untruth.

Mr Peter Dowding interjected.

Mr MacKINNON: The Premier can make his own speech in his own time. I have quoted directly from the transcript of something of which the Premier has full knowledge. He has given a clear indication to the Parliament, as his Deputy did moments ago, and he now tries to claim that the words he used do not mean that. Let me read it again -

The suggestion clearly was that if it fell over, the Government might be called upon to meet that guarantee and that would be very embarrassing for the Government.

In the context of this interview, that is what it was all about. The Premier was shouting and getting angry and kicking the table. He was saying if it fell over we would have to pick up the pieces. He knows that is just not true. He deliberately misled that interviewer at the time. It was designed to mislead, because it then threw that interviewer off on another track. I find Geraldine Mellett to be a very good interviewer.

I turn briefly to the question of subsidies in relation to this whole Rothwells affair.

Mr Pearce: It does not seem to bear a lot of relationship to the motion. You came in here and called for an election. One would have thought that you would have addressed yourself to the key issues, instead of a rehash of all the stuff you have been saying for a year and a half.

Mr MacKINNON: I think in every single case today we have clearly demonstrated that not only have the Premier and his deputy set out deliberately to mislead this House and the public, but also that is clearly documented and is clear for all to see. It is also clear that that attempt was made deliberately to deceive the people of this State prior to the election. As the Premier and his colleagues well know, if that information had been made public at the time - as it should have been - the result would have been entirely different. That is crystal clear. The Leader of the House can jump up and down and make all the smart alec comments he likes, but that happens to be the truth of the matter.

Finally let us look at the Spedley Securities Ltd situation because again it is directly germane to the points and the arguments the Opposition is putting forward. Let us look at the record in respect of what the Premier said about the Spedley's investments. The member for Cottesloe asked question 1907 on 17 November, as follows -

- (4) In relation to those deposits, was there any agreement or understanding expressed or implied that as a result of those deposits Spedleys would in turn deposit funds with Rothwells Ltd?

Mr Peter Dowding: What date is that?

Mr MacKINNON: It was 17 November 1989, question 1907.

Mr Peter Dowding: Was it a question on notice or without notice?

Mr MacKINNON: The Premier's staff can do the work and find out for him.

The answer to that question was -

- (4) No undertakings were made by the SGIC.

Mr Speaker, note that it does not say anything about Spedley; it says "No undertakings were made by the SGIC." Part (9) of that question reads as follows -

- (9) Were any of those deposits made under any arrangement, agreement or understanding that Spedleys would in turn deposit funds with Rothwells?

The answer to that was as follows -

- (9) No undertakings were made by the SGIC.

Those are important answers when one look at the facts, because the facts are pretty clear. I could give the House a whole lot of other questions, but the facts are pretty clear. Let me detail the funds that were put into Spedleys by the State Government Insurance Commission and then directly from Spedleys into Rothwells under the terms of an agreement which clearly was held between the two of them. The understanding that this was the case was clearly held by the Spedleys group itself. We know that the SGIC had \$30.5 million in Spedleys; that was there at the time Spedleys went into liquidation. I do not know why because we had questioned the Government about the advisability of leaving that money there. In fact, the Deputy Leader of the Opposition questioned the Premier about that on 15 December. Had the Government listened to our point of view then, perhaps the SGIC would not be out of pocket to the tune of the \$10 million which it looks like losing in consequence.

In any event, the deposits in Spedleys were as follows: In January 1988, \$10 million was originally put in for one month but thereafter continued to be rolled over on a monthly basis all the way through. The money went from the SGIC to Spedleys to Rothwells; on 31 August another \$4 million was deposited - a total of \$14 million. On 2 September,

another \$15 million was put in by the SGIC endorsing a Spedley's bill, which was then sold on the strength of that endorsement and used to buy Rothwells' bills. That \$15 million then - and here comes the interesting part, bearing in mind that the Premier was at the meetings on 19 October, kicking tables, and 20 October trying to put in place a rescue plan, which we now know to be in the order of \$175 million that night, or \$150 million over the weekend - matured on 21 October. That was the Friday. One should bear in mind that the Premier was at the meeting the night before. It was replaced by direct cash - SGIC to Spedleys to Rothwells - of \$11 million and \$4 million from an amount which was put in the day prior to that with Spedleys and then passed on. Spedleys kept \$1.5 million out of these arrangements.

At the end of the day \$30.5 million was given to Spedleys; under the terms of understanding with those agencies \$29 million of that went directly into Rothwells. Despite that fact, there were denials of all those matters in answer to several questions - questions 1907 and 1884 of 17 November to the Premier, and question 361 of 17 November. Clearly the Premier misled the Parliament about what was happening in respect of those deposits, even when we gave him the opportunity to correct that impression factually by questioning in the Parliament - not question without notice, but question on notice - to allow him to respond.

Consequently the taxpayers are directly out of pocket by a further \$10 million or thereabouts. That is what the Opposition estimates the loss to be of that \$30.5 million. There are other examples to which I could refer to highlight the commitments given -

Mr Peter Dowding: What loss of \$30 million? You said it was \$10 million.

Mr MacKINNON: If the Premier had been listening he would know - as he should know as the former Minister responsible for the SGIC at the time this happened - that \$30.5 million went to Spedleys and, as part of the agreement, \$29 million of that went directly to Rothwells. Of the \$30.5 million, it is estimated that \$10 million or thereabouts will be lost by the SGIC. What Spedleys lost of the \$29 million, who knows? Perhaps we could find out from Spedleys, but that is of little interest to me. There are many other examples of where this Government and this Premier have deliberately, wilfully and purposely set out to mislead both the Parliament and the public of Western Australia. It is also clear, when one looks at the result of an election which was decided by 160 people, that had almost any one of the revelations I have made today been known at that time, it would have made a difference at the end of the day. There is no doubt about that. Clearly also, given that the Premier endorsed so vocally and roundly the Burt Commission report and then chose to fly directly in the face of that report only days before the election, I think the strength of the argument goes without saying.

I want to conclude my remarks where I began, which is to come back briefly to the comments made in relation to point (4) of the motion, which relates to the Premier's baseless and unfounded allegation yesterday. As a consequence of that allegation, as many would expect, I contacted the former Premier, Sir Charles Court, to ask him about the allegation made by the Premier. In fact I asked Sir Charles if he could provide me with a letter explaining his side of the story so that I could read it into *Hansard*, in order to provide for future generations a balance in that argument. The letter is dated 30 August and reads as follows -

Statement by Sir Charles Court regarding the allegations made in the Legislative Assembly of Western Australia by the Premier, Hon. Peter Dowding MLA on 29th August, 1989

Mr Pearce: Is it a letter or a statutory declaration?

Mr Peter Dowding: You obviously did not convey to him what I said at the time.

Mr MacKINNON: It is a letter, signed by him. I will come back to the Premier's comments in a moment. The letter reads -

There is no truth whatsoever in the Premier's allegations about me.

I am deeply disturbed that a Premier of this State should mislead the House in this way with false accusations.

In so doing he has abused the protection of Parliament which is intended to enable Members, without fear, to speak truths the public needs to hear - not to bear witness to what is false.

I therefore draw attention to the fact that what has been falsely said about me has also been falsely said about the Bond Group. I did not plot with them. They did not plot with me.

Thus, the House has been doubly misled by the Premier's false allegations.

It is in this way that the priceless heritage of our Westminster System of Parliament can itself be subverted.

I am advised that, in these circumstances, any Member conducting himself as the Premier has done should be required to step down, not only from Office but from Parliament.

Opposition Members: Hear! Hear!

Mr MacKINNON: The letter is signed by Sir Charles Court. I roundly endorse the comments of Sir Charles Court, the former Premier of this State. Undoubtedly, Premier Dowding has realised the error of his ways since he made the claim last night because he has been backing off from that allegation at a hundred miles an hour.

Mr Peter Dowding: That is untrue.

Mr MacKINNON: Well, I challenged the Premier several times last night to name that member again who spoke to the Bond group.

Mr Peter Dowding: You mean the person with whom the Bond Group had spoken?

Mr MacKINNON: Yes. Who was it?

Mr Peter Dowding: You asked me and I said that I did not think that it was appropriate because I was only repeating what the Bond Group said to me, and you insisted on it.

Mr MacKINNON: I am insisting again that the Premier tell me who that person was.

Mr Peter Dowding: The persons I referred to in my statement as having been spoken of by the Bond Corporation, including the person whose letter you just read out?

Mr MacKINNON: Could the Premier tell me who that was again?

Mr Peter Dowding: Sir Charles Court.

Mr MacKINNON: That is right! I had to drag that out of the Premier like blood out of a stone.

Mr Pearce: You could not remember whose letter you had read out.

Mr MacKINNON: The Premier did not want the world to know. This Premier has made the biggest blunder of his career and he now well knows it. He has been backing off that particular claim and allegation at a hundred miles an hour. I repeat my challenge of last night to the Premier.

Mr Kierath: To put up or shut up.

Mr MacKINNON: Exactly. To put up or shut up. I tell him to go out the door and to make the allegations again about Sir Charles Court in the terms he did; I ask him to go outside and shout it from the rooftop. The Premier was big and bold last night about that claim, but today we could hardly hear him whisper the name and we could hardly hear the words from his lips. Run rabbit run!

I will repeat what the former Premier said in the final paragraph of his letter -

I am advised that, in these circumstances, any Member conducting himself as the Premier has done should be required to step down, not only from Office but from Parliament.

There is absolutely no doubt about it; the Premier knows there is not one skerrick of evidence for the outlandish and outrageous allegations he made in this Parliament last night, and the Premier also knows that the questions we have now referred to the Corruption Commission will put his credibility fairly, squarely and firmly on the line. That is more than the Opposition could have ever hoped to achieve through any motion or debate in this Parliament. I am pleased that the Premier made the speech he made yesterday as it gave the Opposition the best opening to Parliament that it has had in recent years. The person we have to thank for that is the Premier of Western Australia himself. There is no doubt that the

motion we have framed is worthy of the support of this House. There is little doubt that the Government will use its numbers to defeat it, but there is also no doubt that the Premier of this State is living on borrowed time, and that loan of time that he has will soon be called up.

MR COURT (Nedlands - Deputy Leader of the Opposition) [3.34 pm]: I formally second this motion.

This censure motion is a result of seven years of deception and twisting and turning by this Government. The Premier now finds himself, and some of his senior Cabinet Ministers find themselves, in very hot water. The word that has come from the Labor Party in the Eastern States today is that they are very concerned and want the Premier to back off because Mr Bannon has an election coming up in South Australia and Mr Hawke is going to have an election and they are concerned about the damage that Mr Dowding is now doing to the people with whom they have such a close relationship.

Mr Peter Dowding: I don't think that your sources are as good as mine.

Mr COURT: Well the media seems to think that that is the word coming back.

It is no secret that the Deputy Premier would slot into the Premier's job tomorrow, as that is where the support lies in the TLC.

Mr Peter Dowding: The Deputy Premier would slot into my job very well. There are plenty of people on the front bench who could do so.

Mr COURT: The problem is that he is tarred with the same brush as the Premier. They are tweedledum and tweedledee. They have to work out who will take over because about four of them are in trouble.

What a performance we had in this House yesterday. The Premier came into this House and deliberately abused the privileges of this House.

Mr Peter Dowding: How?

Mr COURT: By making unsubstantiated allegations against people.

Mr Peter Dowding: What allegations do you say were abuses of privilege of the House?

Mr COURT: You said that my father was involved in a plot -

Mr Peter Dowding: I did not.

Mr COURT: - for the Opposition to bring the Government down. What a stupid thing to say! The Premier is regretting that statement and he is backing off today. He is backing off from the allegations he made yesterday about the Bond Corporation and the allegations he made about the Bond Corporation's alleged criminal offences. On the radio today the Premier was backing off at a hundred miles an hour. He said that he did not see them as criminal offences, but it was just a part of the negotiations.

Mr Peter Dowding: That is not what I said. I said that I regarded it as improper commercial activity and that I did not regard it, and had not regarded it, as criminal activity.

Mr COURT: The Premier came in here and threw all the mud and today he is backing off because it finally dawned on him that he only had one bite, and that was yesterday; he had one chance and he blew it. The sole purpose of the Premier's mud throwing yesterday was to take attention away from the fact that he and his Deputy and the Leader of the Government in the upper House have been caught out. They had guaranteed that project and they have been caught out. So, as a part of their deliberate attempt in throwing mud yesterday they thought it would divert attention. It might have diverted attention, but today they are paying the price.

Mr Peter Dowding: That is not the case at all.

Mr COURT: I had to laugh this morning when I was reading the Premier's statement when he mentioned the conditions that the Bond people said had to be put into place in regard to the buildings being double their value and whatever. I had a bit of a laugh because by the Government's normal business dealings that seemed quite a good deal. How is it that WADC gained its profits over the years? The Government gave them land at a certain price and then very conveniently would sell it that week at double that price and made a so-called profit.

Mr Peter Dowding: Will you answer a question?

Mr COURT: Yes.

Mr Peter Dowding: What did you think when suddenly out of the blue, after 12 months, a director from the Bond Corporation rang you up and wanted to discuss petrochemical industries?

Mr COURT: I had these phone calls this morning in which they said that the Premier said that I had had a meeting with a Mr Merszei and they wanted to know my reaction to this. I had a conference outside, and with all due respect to the journalists involved, it was interesting that 10 of them were standing there wanting to know about my meeting with Mr Merszei. I said in the House last night, and again outside this morning, that I had a meeting with Mr Merszei. The Premier got quite excited and said that I had gone down and spoken to someone and when a journalist rang me today at 11.00 am and asked whether I had a meeting with Mr Merszei, I said that I had said so in the Parliament last night. Also, I said that I had met with seven industrialists already this morning, and that was just this morning. It is part of my job. The Premier knows that I spoke to Mr Merszei because I told him in this Parliament last night.

Mr Peter Dowding: When did you speak with him?

Mr COURT: I went through my file this morning and found that it was in May that I spoke with him - it was just before I went overseas.

Mr Peter Dowding: After 12 months of silence you made contact with him.

Mr COURT: After 12 months of not having contact with anyone about the project I visited that man. He has had a great deal of experience in petrochemical projects and I learned a great deal from speaking with him. The Premier has not had the courtesy, decency or commonsense to talk to this man who is in charge of designing and constructing the Premier's fabulous petrochemical project. The Premier has been pouring hundreds of millions of dollars of taxpayer's funds into this project, yet he has not spoken to the man who is putting the project together.

Mr Shave: Was the meeting at midnight?

Mr COURT: The meeting was held during the day. It could not be held at midnight because that is when members of the Government hold their meetings. When I sit in my office and look down St George's Terrace at the Bond building and I notice the communications tower on top of the building shaking, I know that the Premier is having a meeting with Mr Bond. Last January, before the elections, I saw it shaking about 10 times. They must have held a lot of meetings.

Mr Peter Dowding: Would you like to tell the House who suggested the meeting?

Mr COURT: If the Premier wants a copy of my notes which I wrote at that meeting I will dig up the file for him and give him a copy of the relevant documents. I am sure he will learn something about the petrochemical project from them.

Mr Peter Dowding: Who suggested the meeting?

Mr COURT: Mr Merszei telephoned me and said that he had noted that the Opposition had been criticising the project for approximately nine months and suggested a meeting to provide us with information about the project. When Mr Dempster was running the project he did the same thing and we listened to him. One thing he said was, "We do not want to bring into this project Government involvement." He was very open about the way in which he wanted to put the project together. Each week I meet probably a dozen people who are considering projects of different types. I am rapidly coming to the conclusion that people have a lot more confidence in backing the Opposition than they do the Government. They know that before long we will be the party in Government and will be making the rules and taking the decisions.

Several members interjected.

Mr Peter Dowding: Did you tell Mr Merszei that? Have you been telling the captains of industry that?

Mr COURT: I do not like bringing up the subject of my father in this Parliament.

Several members interjected.

The SPEAKER: Order! I suspect this debate has the ability to raise the temperatures of some of the members in this place. Regardless of that, whichever member has the call should not have to shout continuously in order to be heard by me, Hansard and any other member who wishes to listen.

Mr COURT: I have been in this place for seven years and during that time hardly a day has gone by without the Labor Party bringing up Sir Charles Court. They cannot get him out of their minds and his political ghost has come back to haunt them today. Members of the Labor Party have brought Sir Charles Court into this debate and today he was given the opportunity to put his side of the story; not in this Parliament, but publicly.

We have moved a motion censuring the Premier who talks about being accountable. I ask members whether they remember the Burt Commission on Accountability report? Do they remember the Premier saying that the Government would abide by all the recommendations contained in the report? Do members remember the accountability legislation which was introduced into this Parliament earlier this year? The legislation, among other things, was designed to bring Exim, Western Australian Development Corporation and the like under the umbrella of the Financial Administration and Audit Act and other forms of accountability. When the debate took place we received a commitment from the Premier that Western Australian Development Corporation would be included in the legislation. The Opposition expressed concern that because of the way in which the legislation was framed certain sections of it could be left out when it was proclaimed. The example we gave was that Western Australian Development Corporation could be left out when the Bill was proclaimed.

In the debate which took place in this House on 11 April the Premier would not support the Opposition's amendments to ensure that all parts of the legislation were proclaimed at the same time. The Premier said the following during that debate -

Parliamentary Counsel's advice on this is that flexibility is required; that some of the elements of the Act will be brought in immediately and other sections should be timed to coincide with the financial year - that is, the general Financial Administration and Audit Act provisions.

Further on in that debate the member for Applecross said -

The perhaps cynical attitude of the Opposition stems from the fact that it may suit the Government not to proclaim those sections relating to WADC and Exim, which means it will never report along the lines prescribed within this legislation.

The Premier replied -

If you are silly enough to do that, but that is the whole point of accountability.

The member for Applecross continued -

The Government should either proclaim the lot at once and cop double accounting and be seen in the Parliament and the public domain as being true to its word, or the Government could go down the devious path of proclaiming things when it suits itself and perhaps never proclaim the parts to do with WADC and Exim - this may never be disclosed.

At the conclusion of the debate on that particular clause the Premier said -

The Opposition will know because the proclamation is gazetted. Parliamentary Counsel's advice is that there are so many agencies involved in the legislation that the proclamation requires flexibility. The Opposition might not agree and may say that the Government will not do it. If we do not, that will be the subject of criticism, but when we resume in August or September this year if we have not done the things that the Opposition thinks we should have done, the Opposition will whip us around the head. That is our advice, and the Government view is on that advice we should not accept the foreshadowed amendment.

What happened when the legislation was proclaimed on 30 June? What did the Government leave out of its accountability legislation when it was proclaimed? WADC was left out.

Mr Peter Dowding: You know the reasons for that. It was because of the accounting requirements. We made it clear at the time and it is no secret. We made it public. I have no reference here to what was in *Hansard* but I am sure I have outlined the reasons for it. My recollection is - I will have to get it checked - that WADC's accounting year ended at a certain time and if we changed the legislation at that time the impact of it would have been that up until the point of the legislation being promulgated it would have impacted on its accounts in a particular way and the whole structure of the accounts would have had to be changed. Whereas, if we had left it until the end of its financial year its accounts would be dealt with in the normal way.

Mr COURT: I can tell the Premier that the financial year for the WADC ends on 30 June, which is the same as other Government organisations involved.

The Premier, when he introduced the accountability legislation, made great play about the fact that WADC would be disbanded but, in the meantime, it would be made accountable under the new accountability legislation. The Government did not include the Western Australian Development Corporation in the accountability legislation. It is now the end of August and no public explanation has been given as to why it was not included. The Premier knows that WADC was one of those organisations about which the Opposition was, and still is, very concerned because it had become involved in a wide range of investments about which the Opposition knew nothing. The purpose of including WADC in the accountability legislation was to give the Opposition and the Parliament a better understanding of what is taking place in that organisation. It is a simple matter.

The Opposition asked the Premier for details of Mr Horgan's payout which was stated in the media to be \$800 000. That is not petty cash by any means, but the Opposition has been given no details of this matter. If Mr Horgan received one dollar of taxpayers' money this Parliament should be told. If he has received \$1 million, of course, the Parliament should be informed. The Premier has made a mockery of this question of accountability, and I shall look forward to learning more about the operations of WADC. I am sure that a great deal of information will eventually emerge about its operations. Of course, it has been overshadowed by the petrochemical project.

I turn briefly to the subject of the petrochemical project which in this censure motion of the Government stands out as the single deal which has put this State in the terrible position it is in. The Opposition has not had a great deal of time to go through the documents, but it appears that a couple of papers in relation to this matter have not been tabled. I refer to the Crown suits notice which was submitted to the court. The transcript of the application for the appointment of a provisional liquidator referred to the Crown suits notice which has been submitted by Bond Corporation.

Mr Peter Dowding: As far as I know that is with the Crown Law Department.

Mr COURT: Could the Opposition have a copy of it?

Mr Peter Dowding: I suppose so.

Mr COURT: Could the Opposition also have a copy of the affidavits from Heron and Judge which are associated with that notice?

Mr Peter Dowding: That is just a preliminary notice. I think the affidavits are in the court documents.

Mr COURT: That is not concerned with the provisional liquidator?

Mr Peter Dowding: An affidavit from Heron dated 28 July has been tabled.

Mr COURT: I do not expect an answer from the Premier right now, but I ask to be given a copy of the affidavits and the Crown suits notice.

Mr Peter Dowding: Which affidavits?

Mr COURT: Those in the application for the appointment of a provisional liquidator, one from Bond Corporation and one from Mr Heron. I understand the Heron affidavit may already be tabled.

The Opposition has a copy of another important document; that is, the judgment from Master White in relation to the appointment of the provisional liquidator, which judgment was quite

scathing of the Government. It stated that the Government's good faith was in question. That is a serious comment from a Master of the court.

Mr Peter Dowding: It did not say that; it said in relation to an application for a provisional liquidator that the applicant had to show certain things.

Mr COURT: It stated that the Government's good faith was in question, and I am only too willing to quote from that report.

I listened to the Premier on the "7.30 Report" last night when he was questioned by Mr Alan Atkinson on the question of guarantees. The Premier made it clear that the guarantee would have come into effect only when the project was up and running and if, during its ups and downs, a shortfall occurred the Government guaranteed to pick up those shortfalls.

Mr Peter Dowding: It was the comfort provided.

Mr COURT: The Premier talks about comfort, but he knows that the comfort he is talking about is a guarantee.

Mr Peter Dowding: That was the basis of the undertakings given.

Mr COURT: The Premier tried to brush off the matter by saying that it was a very complex matter and that it was difficult to give an answer in the time available. I quote from the transcript of that interview -

... it is a very complex matter Alan, and I am I know in twenty seconds it's difficult to get an answer. Well you saw the documents that we tabled in Parliament today, I mean the documents I tabled was this, were this, high and that was just the documents lodged in respect of the current court case, it is a very complex issue but fundamentally we believed that the community could provide levels of support for this project but only on the basis of the shortfalls in the worst years in the early stages of the project and refunded out of the project so that it would truly be a project financed petrochemical industry and that is what we sought to achieve.

That gives the impression quite clearly that the guarantee would be put into effect if this problem occurred. The letter from the Deputy Premier tabled by the Premier states quite clearly that -

The Government has not in any sense backed away from its willingness to put this in place and will do so at the first opportunity - certainly well before the facility needs to be put in place - and I envisage before Christmas this year.

That refers to Christmas 1988. The Deputy Premier is stating that the guarantee will be put in place before the finance facility is put in place. Does the Premier understand that?

Mr Peter Dowding: I am sorry, I was not listening to you.

Mr COURT: The Premier had better listen because he and his deputy may spend time in court in this connection. The first paragraph of the letter I referred to states -

I refer to our telephone conversations on the weekend concerning the Treasurer's guarantee to WAGH to back up the funding for P.I.C.L. in the credit enhancement.

Mr Pearce: We heard this letter yesterday.

Mr COURT: I am explaining the significance of the letter which states that the Government is not backing away from its willingness to put this in place and will do so at the first opportunity, certainly well before the facility needs to be put in place. It is implying that a guarantee will not be given after the project is up and running, but will be put in place before it is up and running; that is, this is a commitment that the guarantee will be in place before the finance is in place. That is the significance of the Deputy Premier's letter. The Premier's letter is quite specific but the commitment of the Deputy Premier is clear. Government members can twist and turn as much as they like, but the truth is now emerging that the Government was backing this project. Unfortunately, I have an awful feeling that the threat by Bond Corporation to apply for damages will become a reality. How could commercial negotiations be conducted properly, bearing in mind the performance in this House yesterday?

The reason the Premier and his Government need to be censured is that it is not just the petrochemical project which is causing concern to the people of this State; that is but the last

in a long line of terrible financial dealings which have been going on in this State, going back to the early days of Exim and the Western Australian Development Corporation, which were some of the more scandalous transactions in which this Government was involved. Those transactions were only small fry, but they have gradually been worked up until we have reached the big daddy of them all. The Government's financial advisers have been involved in these terrible dealings. Most of them have now gone, and because they got the dealings into such a huge mess, some of them are now being made the bunnies.

We need only look around the State to see other examples of these scandalous financial dealings. I refer for example to the deals involving the Superannuation Board and the R & I Bank. At a time when private banks in this country are very embarrassed by their high profit levels and have had to publicly apologise for those profits, our bank has just broken even. The performance of the R & I Bank has been abysmal. One of the Government Ministers telephoned that bank and tried to get it to put across a loan to Rothwells during its last desperate days. The State Government Insurance Commission was also brought into the situation. The contempt which members opposite have had for these financial institutions is what has caused so much trouble.

The Leader of the House, when he was Minister for Education, spent about \$50 million a year on capital works programs, yet the money which has so far been spent on the petrochemical project - some \$250 million - is five times that figure. That money has been lost. The Premier and the Leader of the House know that it is difficult to find money for schools, so when they consider that five times the money allocated to the capital works budget has been blown on nothing, they will know why the public is concerned.

We are now being told through the courts that nearly \$1 million a week is being paid on interest in relation to the money which the Government has borrowed for this project. The interim finance package of just on \$70 million is churning up interest at the rate of \$40 000 to \$45 000 a day. To put it another way, a daily amount equivalent to the annual salary of a member of Parliament is just ticking away on that meter, yet nothing is happening. Some 57 experts have been employed to work on the petrochemical project, yet they have nothing to do. The situation in which we find ourselves is absolutely scandalous.

Yesterday we saw the boys fall out; we saw a public confrontation. However, and sadly for the people of this State, the Premier has now relegated the State to the grovelling around in the gutters which we saw yesterday. I support fully the censure motion against the Premier, and the sooner we get back to the polls, the better it will be for this State.

MR PETER DOWDING (Maylands - Premier) [4.04 pm]: This has been a long, rambling debate, because the Opposition has tried to regurgitate all the things that they have been chewing in their cud for month after month. Let us start with the Opposition's criticism of me in respect of the statement I made to the Parliament yesterday, and let us not be sidetracked by the deliberate misinformation that is now being put out by the Opposition about what was said yesterday. The statement from Sir Charles Court, which the Leader of the Opposition read here today, is part of a deliberate campaign by members opposite to misstate what I said yesterday.

Mr Kierath: You are running away from it.

Mr PETER DOWDING: Not at all. I said yesterday, quite unequivocally, that I made allegations about what it was that the Bond Corporation executives had said to me. I said it is not possible -

Mr MacKinnon: You are a rumour monger.

Mr PETER DOWDING: I am not. I am not looking for evidence from external things. This is not a statement about what happened somewhere else. This is a statement about what was said to me across my table.

Mr Lewis: Why should we believe you?

Mr PETER DOWDING: Let me read another document, because it was also about things which were said to people who were negotiating on behalf of the Government. I said that it was about what was said to me personally, and it was also said to people who were negotiating on the part of the Government. It was also said, as I said yesterday, to people on my staff, and I do not intend to drag into the public limelight the people who work for the Government so they can be put up like Aunt Sallys for attack by the Opposition. We have

seen that sort of thing happen previously, where loyal public servants can get it right in the neck from people like members opposite.

I say quite unequivocally to members opposite that what I said to the House yesterday is not only my recollection but also is supported by the people who were present in the room when those statements were made. I said in my speech that statements had been made to people who were negotiating on behalf of the Government. Let us not wriggle out of it, because members opposite say that we actually never said that to Bond Corporation; we actually never had a meeting with Bond Corporation. In the space of a few hours we have suddenly gone to a position of Mr MacKinnon's saying that the Premier -

Mr Clarko: You raised the matter. The onus is on you.

Mr PETER DOWDING: Shush up for a minute. It was said last night -

The SPEAKER: Order!

Mr Clarko: You are going to have a breakdown.

Mr PETER DOWDING: I am not going to have a breakdown. I have been in bed with the flu during the weekend, and my throat is sore. Let me speak. This is what the Opposition said last week -

Several members interjected.

The SPEAKER: Order! I think that both of those members of the Opposition who heard me call order heard me, and have deliberately chosen to ignore my request. Perhaps I am wrong, and they might give me an opportunity to be proved wrong by not interjecting and by accepting that I did call for order.

Mr PETER DOWDING: Last night on the "7.30 Report" the Leader of the Opposition was asked this question, "He, the Premier, suggested that Sir Charles Court had been involved in some talks with Bond Corporation." That is not true. I said that Bond Corporation told us it had had meetings with Sir Charles Court. I did not even want to name him because I had no objective evidence, but the Leader of the Opposition demanded it. The question to the Leader of the Opposition was, "Is that true?" The Leader of the Opposition answered, "He, the Premier, made that suggestion in the Parliament, Geraldine, but not outside the Parliament. My prediction is that he will not because he knows that it is not true." What is not true is the suggestion that Sir Charles Court had been involved in some talks with Bond Corporation; not that he had plotted to do anything, but that he had been involved in some talks.

What did our avid investigative journalist from *The West Australian* tickle out of Sir Charles Court last night? Sir Charles Court denied that he had had discussions with Mr Bond or his executives. What did the apparently more aggressive journalist from *The Australian* tickle out of Sir Charles Court? It was a slightly different answer: Sir Charles Court agreed he had met Mr Bond on some occasions, but emphasised he has not been involved in some cloak and dagger clandestine operation to bring down the Government.

So we have suddenly gone from the Leader of the Opposition saying "No meetings" and Sir Charles Court saying "No meetings", to something else. I still say I have no evidence that they had any meetings with Bond Corporation, but members opposite are providing it. All of a sudden we come to radio station 3AW, not my regular listening station, where Sir Charles Court was asked, "Have you had talks with Alan Bond at all?" He said, "Well, I see hundreds of people."

Mr Pearce: He probably cannot remember which one Alan Bond was!

Mr PETER DOWDING: One would have to be a strange person to live in Perth and not remember seeing Bond. I do not think that is correct. Sir Charles went on to say, "... and hundreds of others, particularly in view of the positions I held in the past", and so on. So we have gone from one position to another. I repeat in this House what I said last night - I have no evidence; but what did Mr MacKinnon say on the radio program "AM"? He said this: "The allegations made by the Premier in that regard..." - that is, negotiation - "... are a figment of his imagination. There have been no discussions." Members should stack that up against what the Deputy Leader of the Opposition has told us today; that is, that after 12 months a director of Bond Corporation Holdings Ltd, Bell Resources Ltd, Bond International Gold Ltd and some other companies associated with Bond telephoned him out

of the blue and said, "Come down and have a chat about the petrochemical project." At a time when we had offered the Opposition the opportunity for confidential briefings about the very sensitive commercial negotiations -

Mr Court: I would not get a briefing from you if it were the last thing I did. I would not trust you.

Mr PETER DOWDING: Not from me - from those officers in charge. We offered the Opposition a briefing on the very sensitive commercial position of the Government vis-a-vis Bond Corporation, which was rejected. At the very time we made that offer, the Deputy Leader of the Opposition potted down the Terrace in response to this request out of the blue, and all of a sudden he had a chat with a person who was a director of those Bond companies I mentioned previously.

Mr Speaker, I do not know what they discussed. I have no evidence as to what they discussed, but I must say, having heard the Deputy Leader of the Opposition, that it sounds awfully like a softening up process. I do not know. Maybe it was innocent. It may have been as innocent as the Deputy Leader of the Opposition was on the day he was born. I suspect that if Bond Corporation made those allegations to me, as they did, and as they made those allegations to other people, as innocent as the Deputy Leader of the Opposition is, and as naive as we all know he is, maybe they had another reason.

Mr Court: Fancy coming into this House with another unsubstantiated claim. "I think he did this; I think he said that" - fancy making it up!

The SPEAKER: Order!

Mr Court: The Premier is a joke. His credibility is on the bottom.

The SPEAKER: Order!

Mr Court: Why doesn't he just sit down and get out of this place?

Mr PETER DOWDING: I have only a few minutes to speak before we leave this subject.

Mr Court: We will extend your time after dinner, okay?

The SPEAKER: Order!

Mr PETER DOWDING: I want it before dinner, thanks very much.

The SPEAKER: Order! Order!

Mr Clarko: So *The Australian* will get it in?

The SPEAKER: Order! There are additional members who are choosing to ignore me now. Members all know I am a very patient person but I really think it is fair that if I call order nicely they should take notice of me. They should not wait until I get angry before they decide to take any notice of me; because if I get angry I sometimes do things that I might regret later.

Mr PETER DOWDING: Mr Speaker, I made it clear last night that the purpose of my statement to the House was to inform the House and the public of Western Australia what had transpired in relation to the negotiations between ourselves and Bond Corporation. I do not believe the Opposition has any right to deflect that into a debate about what was said by its members to Bond Corporation. That is not the point - that is not the issue.

I have had advice about whether or not what Bond Corporation said to us constituted criminal conduct and the advice I have received is that it does not. So let us make no mistake about where we are going in this. This is a commercial matter which has gone beyond the bounds of proper commerciality in my view. Bond Corporation has asked the Government to do some things it ought not have been asked to do; and, most importantly, has indicated an intention to use the Liberal Party as passive or active participants in an effort to influence the outcome of the negotiations with the Government. I will read what an independent party who was retained to advise and negotiate for the Government in respect of these matters has said. He is a well known Sydney lawyer who has a reputation, might I say, as no political hack, certainly in the Labor Party. He is seen by everybody as one of the toughest commercial lawyers around town and around Australia. That, of course, is Mr Malcolm Turnbull. I do not think anyone in this House would challenge his integrity.

Mr Clarko: He is a partner of Whitlam's son, isn't he?

Mr PETER DOWDING: Does anyone in this House challenge his integrity?

Mr Clarko: Turnbull is a mixed bag, and you know it.

Mr PETER DOWDING: Does the member for Marmion challenge it?

Mr Clarko: I do not know him.

Mr PETER DOWDING: Does the member have any other reason to challenge his integrity?

Mr Wiese: The fact that you are using him.

Mr Court: We challenge yours.

Mr PETER DOWDING: Okay - members opposite may challenge mine. What a load of wimps! Imagine the country being run by these people!

This is what Mr Malcolm Turnbull of Whitlam Turnbull reports about some of the conversations. Some of them have been held with him only and not with me or my staff, and I think one or two of them occurred when I was present. The advice reads -

I refer to the speech made by yourself in the Legislative Assembly yesterday and in particular to that part of it which referred to certain "political" threats which had been made to you and your advisors.

Since December last year Whitlam Turnbull has provided financial advice to the State Government Insurance Commission ("SGIC") concerning its indemnity arrangements with Bond Corporation Holdings Limited in respect of the SGIC's shares in The Bell Group Limited ("BGL"). Since March 1989 Whitlam Turnbull has also provided financial advice to Western Australian Government Holdings Limited ("WAGH") concerning the Petrochemical Industries Limited ("PIL") petrochemical project.

During that time I have had many discussions concerning both matters with directors and officers of BCH including Messrs Alan Bond, Peter Beckwith, Peter Mitchell and Ken Judge. I have regularly reported to yourself, amongst others, concerning the progress of these discussions and negotiations.

Statements of the kind referred to in your speech have been made to me on a number of occasions and reported to you. I set out below the substance of those made in the last month:

- (a) On 1 August 1989 I had a telephone conversation with Mr Peter Beckwith. He said to me that there was no prospect of BCH reaching an agreement with the Government over PIL unless concessions were made to BCH in respect of the SGIC indemnity and other matters. I said to him that it was not possible for the Government to do anything more than it had offered in terms of PIL and in particular it could not vary the terms of the BGL indemnity arrangement other than on terms financially attractive to the SGIC viewed in isolation.

He said that unless such an agreement were reached, he would fight the matter publicly and said that in his view BCH was better off with a new Government which would probably take the view that the mistakes in PIL could be blamed on its predecessor and would therefore be ready to make a satisfactory commercial deal with BCH. He said that he was looking very closely at the possibility of rejecting Supply in the Legislative Council and would probably be assisting the Opposition in that course of action.

- (b) On 14 August 1989 at about 1.00 p.m. I met with Mr Alan Bond and Mr Ken Judge in Mr Bond's office. He had asked for the meeting so that he could discuss with me a proposal he proposed to put to the Premier at a meeting later that day. In the course of that meeting I explained to him that the Premier did not believe that it was possible to reach an agreement which incorporated a concession on the SGIC indemnity and PIL at the same time. I said that no winks or nods could be given and that the best which could be said was that any negotiations with the SGIC would be conducted by them in good faith, commercially and free of any interference from the Government.

Mr Bond said this was not satisfactory and he could not agree to sign the proposed Memorandum of Understanding in respect of PIL in those circumstances. He said that in those circumstances it would be his commercial goal to destroy the Government and the Premier in particular.

I said that this sort of thing had been said both to me and the Premier by Peter Beckwith and that it was not helpful to make this sort of political threat. I invited Mr Bond to disavow the threats which Mr Beckwith had made to me and to the Premier.

Mr Bond and Mr Judge both said that if the Government did not agree to satisfactory arrangements on the SGIC which gave BCH substantial compensation for what they had lost on PIL, then BCH had no commercial choice other than to destroy the Government. Mr Bond said he did not particularly want to do this, but if backing the Opposition parties would advance his commercial interests, he was bound to do so. He said that if the Government adhered to its present position it would be a dirty fight and he would ensure that the Government and Peter Dowding in particular were destroyed.

Mr Bond canvassed the means of bringing the Government down. He said it was not limited to blocking Supply, but said that the Premier could be impeached. I told him I was not aware of that mechanism being used against Ministers. He said that he and his people were looking very closely at all these options.

- (c) Later that day at 4.00 pm I met with Mr Alan Bond and the Premier. Mr Bond put a proposal to the Premier which involved the Government acquiring the Emu Brewery site for \$220 million, providing a guarantee in the amount of \$200 million to PIL, and selling out of PIL to BCH for \$250 million payable over 15 years commencing from the date if and when the plant commenced operations. Mr Bond added in the discussion that it was also essential that a deal be done with the SGIC. The Premier said it was not possible to go along with such an arrangement particularly if it involved acquiring assets at an overvalue. He further said that it was not possible to link the PIL transaction with the SGIC indemnity matter.

While we have a theatre in this House with a lot of apparent turn-on turn-off jocularly, it gives me absolutely no pleasure to have to deal with matters on a commercial basis in this environment. It gives me no pleasure.

Mr Hassell: You chose it; you set out to do it!

Mr PETER DOWDING: We will not be turned from proper behaviour by threats from the member for Cottesloe or other people. I have made it clear that there is absolutely no way that the Opposition can sit on that side of the House and cast aspersions at my integrity day-in day-out without a reckoning. The Opposition lost the election, and the next reckoning in three and a half years will be that it will lose the next election. It is not a matter of personal aggrandisement on my part. I get no pleasure from people talking about the head of the Western Australian Government in those terms. But if it is tough I will not resile from it; nothing the Opposition will do will make me resile from what is right.

Mr Hassell: That will be a change.

Mr PETER DOWDING: Continuing with the document -

- (d) The following day on 15 August 1989 at 2.00 pm I had a telephone conversation with Mr Alan Bond. This occurred at about the time that the lawyers for WAGH moved in the Supreme Court for the appointment of a provisional liquidator. Mr Bond said that he had met earlier in the day with senior members of the Opposition party including Sir Charles Court. He said that he had outlined to Sir Charles Court the proposal he had put to Peter Dowding last night. He

said that Sir Charles Court had said that the Opposition would support such a deal as long as it was open and on the table and that he thought it was better than the arrangement we had been working on. He said that Sir Charles Court had said that he had no objection to the Government giving a guarantee but that he did not believe it should be a shareholder.

He said that he was not prepared to sign the Memorandum of Understanding regarding PIL unless a deal was also done on the SGIC matter.

He then said he believed that he had good grounds to resist any attempt by the SGIC to enforce the indemnity on the Bell shares. He said that there had been meetings and statements which tied the indemnity back into everything else including PIL right back to the beginning. I asked him to particularise it and he said he would not. I told him that Mr Beckwith had made some threats of this kind in the past and had similarly failed to provide any particulars. I said that on 9 March BCH and the SGIC had entered into a new Deed which provided for the extension and that that document expressly provided that it and the original indemnity deed were the only agreements which touched on the indemnity and that any other conversations, representations etc were of no force or effect. I reminded him that when I had been involved in the March negotiations he and his colleagues had made similar allegations of conversations which had varied the terms of the June 1988 Deed and that I had resolved with him and Mr Beckwith and Mr Mitchell that the only way to deal with these contentions was to have an extension but with a clear clause which wiped the slate clean of any alleged oral agreements or understandings. He said that Bond would seek to set the March document aside.

He repeated that Sir Charles Court would be happy to go along with the sort of proposal he put to Peter Dowding last night. I told him that proposal was just not acceptable to the Government. He said that in that case it would be a fight to the death between his company and the Government and that he would set out to destroy the Government.

- (e) On 22 August 1989 I went to a meeting at BCH's office in Sydney at the invitation of a third party who said he had been discussing these matters with Mr Beckwith. This third party told me that Mr Beckwith was very agitated and was threatening to bring down the Government by supporting the blocking of Supply. Mr Beckwith provided a typed sheet which listed the many demands he required before a new arrangement could be entered into on PIL.

Mr MacKinnon: Beckwith does not get a vote.

Mr PETER DOWDING: Precisely. Does not that suggest something to the Leader of the Opposition? He was not talking about exercising a vote. The letter goes on -

In general terms it was along the same lines as those previously made. Mr Beckwith at one point in the discussion said to me that if we did not reach agreement he was confident the Liberals and Nationals would block Supply and force an election and he would ensure that the Government was defeated. I asked him, in those circumstances, whether the Liberals and Nationals would not block Supply if agreement was reached. He said that this issue had been talked through with the Opposition and if the problems were resolved to his satisfaction then he would ensure that Supply would be passed.

Yours faithfully,

Malcolm Turnbull

Point of Order

Mr MacKINNON: Mr Speaker, I ask that the Premier table the document under Standing Order No 231A.

The SPEAKER: The Premier can table the document now or at the conclusion of his speech.

Debate Resumed

Mr PETER DOWDING: People who take commercial positions with Government agencies are entitled to have their professional expertise and position respected. That has been a long and tortuous lesson that the Liberal Party has learned over the past seven years. It is unquestionable that Mr Turnbull has a professional reputation around Australia and internationally. I am not sure that it is quite so confidently regarded in the Cabinet rooms of No 10 Downing Street as a result of the *Spycatcher* trial. I can assure the House his tenacity and integrity are respected, if not liked, in those quarters.

I said yesterday that this House should know what had been said to me. I am not suggesting that I could prove the Liberal Party's acquiescence in those arrangements. The Liberal Party chose to put up two red herrings. The Opposition took the next step today of accusing me of dishonestly stating to Parliament the sequence of events in which I had personally participated and in respect of which I had advised. I hope that to the point we have reached in my speech today at least the Opposition would bite its tongue and recognise that it has made one huge blunder.

I table the letter from Whitlam Turnbull to which I have referred.

[See paper No 372.]

[Leave granted for speech to be continued.]

Debate thus adjourned.

[Continued on p 1413.]

STANDING ORDERS SUSPENSION - AIRLINE PILOTS' STRIKE*Minister for Tourism*

On motion without notice by Mr Pearce (Leader of the House), resolved with an absolute majority -

That so much of the Standing Orders be suspended as would prevent the Minister for Tourism from moving a motion relating to the pilots' strike.

MOTION - AIRLINE PILOTS' STRIKE

MR GRILL (Eyre - Minister for Tourism) [4.33 pm]: I move -

That this House asks pilots in Western Australia to appreciate the great damage done to the economy of the State by their industrial action, and calls on pilots to work towards ending their industrial campaign for the good of the State.

Today I lunched at the Capita Centre with a group of very high ranking business people from Western Australia who had the view that there were some issues which should be discussed above party politics. They agreed that some issues were so important to the economy and wellbeing of the people of this State that they should not be part and parcel of the normal everyday bickering which unfortunately takes place in this Chamber. They thought there were a number of issues about which, to date, the Opposition had not shown itself to be either generous enough or wide-visioned enough to grant immunity.

Mr MacKinnon: We made a bipartisan offer which you rejected out of hand.

Mr GRILL: Which one are you talking about?

Mr MacKinnon: Sarich. We wrote to the Premier 18 months ago and said we were prepared to put politics aside and work with the Government. That was rejected out of hand.

Mr GRILL: I do not believe that is true. Do you have a letter from the Premier?

Mr MacKinnon: It is absolutely true.

Mr GRILL: I doubt it.

I believe this issue is one which the Opposition should consider setting aside from the normal cut and thrust of politics and join in with the Government to pass this motion to endeavour to bring some sense and resolution to this very destructive and damaging industrial strife between the airline pilots and their employers.

Mr Fred Tubby: You would make a good Premier.

Mr GRILL: That is not one of my aspirations, unfortunately.

Mr Lewis: We can't believe you, either.

Mr GRILL: It is interesting to note that when a subject of such importance comes before the Opposition, it does not want to deal with it; it wants to make cross-Chamber remarks of an inane and frivolous nature.

We have before us a motion to which this House could agree. It was introduced in good faith so that the Opposition could have an opportunity to join with the Government in a bipartisan way to bring some sense to the debate.

Mr Nicholls: Get on with it and we will listen to your arguments.

Mr GRILL: I am getting on with it. I hope that this motion will be received in the spirit in which it has been introduced. We ask the pilots to desist from their present industrial action and go back to work. We ask them also to sit down with their employers and hammer out some equitable pay claim which can be negotiated so that the matter can be resolved.

I do not think I need explain to the Opposition that this industrial dispute is doing great damage to the economy of Western Australia, apart from the inconvenience, pain and suffering that ordinary people are being put through by the disruption to services. We should all be concerned about the harm being done to our economy.

Western Australia is the most isolated of all the States of Australia, including Tasmania. Its country centres are the most isolated of all States and cannot be served in any other way than by air. The other States have the luxury - if one can call it that - of being able to overcome the problems created by the strike by using express passenger coaches, private motor vehicles, and the railways. This State does not have that luxury. Rail cannot service the remote areas of the State in the way rail services country centres in other States. We do not have express coaches with the capacity to deliver tourists and other people from one side of the continent to the other in a practical way. For instance, a trip by aeroplane from one side of Australia to the other takes about four and a half hours. A trip from Perth to Kununurra takes the same time, demonstrating the sort of problems facing Western Australia. We do not have the luxury of express coaches, rail services or simply being able to get in our cars and travel from one spot to another. For example, Canberra is two and a half hours away from Sydney by car.

Mr Blaikie: I think it is more like three hours.

Mr GRILL: At any rate, it is not a lot of time.

I wish to demonstrate to members what this dispute is costing Western Australia. It has been estimated by the WA Tourism Commission that domestic travel in Western Australia is running at about 20 per cent of normal demand. In other words, there has been an 80 per cent reduction in domestic travel since the strike began. What does that mean in money terms?

In round terms it means that this State is losing \$4 million net per week from the interstate component of that domestic travel, because of a reduction of 80 per cent in domestic travel in Western Australia. The Western Australian Tourism Commission estimates from research carried out over the last week or so that international travel is down by 20 per cent; that is, it is running at 80 per cent of capacity. On that basis Western Australia is losing approximately \$5 million each week. The commission estimates that if the strike continues for another week Western Australia will probably lose about 50 per cent of the market, and if that occurs the loss per week will be at least \$6 million. Conservatively speaking, and from the estimates made by the Western Australian Tourism Commission, Western Australia will lose between \$9 million and \$10 million each week as a result of the current dispute. I am talking only about the tourism industry; I have not broadened the argument to encompass the

losses that could be taken into account elsewhere. Simply in terms of losses in interstate traffic, interstate tourists and international tourists, this State will lose approximately \$10 million a week. Where does that money normally go? It goes first to the transporters themselves, then to the hoteliers, restaurants, cafes, hire car companies, and service stations, and from there it goes to almost every section of the community. It is well known that the tourist dollar is the dollar that probably circulates best throughout the business community.

Of course, the hotels are directly and immediately affected and have already been affected. The Western Australian branch of the Australian Hotels Association has indicated that, as a result of the strike, bookings in Western Australia have fallen dramatically. I have a lot of sympathy with and empathy for the Australian Hotels Association and for the Western Australian branch because it is the one group in Western Australia over the last few months which decided to do something about tourism in this State. It spearheaded a very effective campaign - with the help of the State Government - against the highly regulated international airline industry carried on by the Federal Government. The association has pressed for a lessening in the strict adherence to the reciprocal landing rights agreements which have been part and parcel of the Australian airline industry since the war. The association has met with some success in pressing for that liberalisation of this highly regulated industry, as has the State Government. The Australian Hotels Association ran that campaign, yet it is the group first, and probably most savagely, hit by this strike.

This association also got off the ground the "pub stay" program - a very innovative program that encourages international and interstate visitors to Western Australia to experience a pub stay in many cases in the remote areas of the State. The program has featured a range of quaint and otherwise attractive hotels in country areas of Western Australia. It is a very good and innovative program, but what success will it have if the promoters cannot guarantee their customers from Europe, Japan and South East Asia - our best market at present - that they not only can come to WA but also will be able to leave when they wish to. There is no way in the world at the moment that international visitors could be given a guarantee that having arrived at their destinations in Western Australia, especially the remote ones, they could be returned home. Those are the problems the industry faces. It is unfortunate that the Australian Hotels Association and its members will be the group most directly bearing the brunt of this strike. You, Mr Deputy Speaker, a number of people on the Government benches, and probably some on the Opposition benches, will be aware that September is the most popular month for visitors to Western Australia. It is the month during which Western Australia is promoted as the wildflower State, and when people flock from the Eastern States and South East Asia to see the wildflowers at their best.

It is also a time when the convention industry blooms in Western Australia. It has been estimated that during this very critical period the convention industry will lose at least \$8.5 million. That loss is over and above the loss to which I have already referred which will flow from the strike today. To give members some indication of the losses which will be incurred, I will go through a list given to me this afternoon by the Western Australian Tourism Commission. Probably the first convention to be affected is the annual national convention of the Computer Society which was due to be held in Perth from 25 August to 2 September. That convention, to be attended by 588 people, was to be held at the Burswood Island Resort. I am told that the convention has suffered very badly indeed. The Silver Swan Jewellery conference is due to be held at the Burswood Island Resort from 2 to 9 September, and 300 people were expected to attend. It is unlikely under the present circumstances that the convention will proceed. The congress of the International Union of Local Authorities is due to be held from 3 to 8 September; 1 600 delegates have been invited to that conference which would be one of the biggest and most prestigious ever to be held in Western Australia. It would bring more money to the State than any other convention held, but attendance numbers are in doubt as a result of this strike.

An international meeting of the Australian-Korean business cooperation business committee is planned from 4 to 6 September. I wish the Deputy Leader of the Opposition were in the Chamber because his brother, Ken Court, is leading that delegation. Ken Court came to me a few weeks ago and told me it was a particularly important delegation which should receive some support from the Government. I do not know whether that meeting has been jeopardised, but I suspect it has. I do not know how delegates will travel from one side of Australia to the other, but I would hate that meeting to be cancelled, because Ken Court

indicated that it has great potential for foreign investment into a range of Western Australian industries.

The Renal Society of Australia planned to hold a convention from 7 to 9 September at the Perth International Hotel, with 128 guests attending. From 8 to 10 September, the National Aerobics Conference was to have been held at the University of Western Australia, which 275 people were expected to attend. From 8 to 18 September, the Solicitors and Attorneys National Partners Conference was to have been held at the Burswood Resort Casino, with 180 guests. From 9 to 23 September, the World Bridge Championship, which would include a lot of people from the Eastern States, was to have been held - and I hope it still will be - at the Hyatt Regency Hotel, with just under 1 300 members contesting that championship. From 10 to 14 September, the Cereal Chemistry Conference was to have been held at the Langley Plaza Hotel, with 100 delegates. My list goes on and on, and underlines the fact that late August to September is the period during which the convention industry in Western Australia flowers, and is the period which the hotel and associated industries bank on to make their money for the rest of the year. My list goes on to October, but I am hopeful that the strike will not last that long.

So there are huge arguments in favour of this Parliament's coming to an agreement to make a concerted approach to the pilots to desist from their bans and to sit down around the table in an endeavour to work out some solution. I have already mentioned the fact that the tourism industry is the loser in this strike action. I indicate also that a large number of other industries are being affected; for example, the intrastate transport industry, and the bus charter operators. What does the Australian Federation of Air Pilots hope to gain out of this action?

Mr Strickland: Money!

Mr GRILL: The member is perfectly right. They hope in their claim - which is not an ambit claim because it is a specific claim - to gain a 30 per cent pay rise as a result of industrial action. That sounds all right for them, and I suppose that if that pay claim were granted it probably would not do a great deal of damage to the economy; but it appears totally inequitable to blue collar workers and others who have taken part through their unions in the accord over the last few years, and who as a result of the Accord are prepared to accept a 6.5 per cent increase in their wages, phased in and based on some productivity improvements. That 6.5 per cent across the board pay claim will cost employers in Western Australia \$703 million; and most people would say that the employers can probably afford to pay it, and the employees deserve it. However, if the pilots are successful in their industrial action, those blue collar workers - many of whom belong to unions which are just as large, tough, and muscular, and just as able to use that muscle - will also demand pay claims of that ilk. If the pilots' claim were granted across the board, it would cost employees in this State \$3.515 billion. This State cannot afford that.

Mr House: You are obviously aware that you will get all-party support for this motion.

Mr GRILL: I hope we do.

Mr House: I am sure you will, and so you should, but you have not actually offered any solutions. You have told us a sad story, with which we all agree, but what about telling us the solution to the strike?

Mr GRILL: The solution is for the parties to the strike, and particularly the airline pilots, to realise that there is a resolve among the people of Western Australia, as represented by this Parliament, for them to desist from their industrial action, to sit down at the bargaining table and come to some equitable agreement in respect of their pay claim.

Mr House: So you do not have any thoughts about bringing in pilots from overseas or training new pilots?

Mr GRILL: That is another question, and one to which I adverted yesterday in question time. I indicated, somewhat incorrectly, that by today I would have before me a proposal by the Western Australian Tourism Commission to look at bringing in from overseas a plane or planes to carry tourists from the Eastern States to Western Australia, and back again, and to service some of the more isolated areas of Western Australia. That proposal will not be before me today, but it will be before me tomorrow, and we can debate it tomorrow, when I shall be happy to make a statement to the House.

What we need today is some unanimity of purpose within this Chamber, and in moving the motion I hope that is what we will get.

MR KIERATH (Riverton) [4.57 pm]: I am pleased to be able to second this motion because the Minister said he wanted to see some bipartisan support, and I think this is an excellent motion on which to get bipartisan support, and we certainly will not be disappointing the Minister today. It is good to see that there are some issues which rise above party politics, and that we can see moved a conciliatory motion; but if the Government is really genuine in its desires, the Opposition will probably be introducing later in this session legislation in which we will show members opposite how they can prevent some of these damaging strikes.

Mr Pearce: Let us hope it is not enterprise bargaining which has led to this current problem!

Mr KIERATH: No; it is essential services legislation. The Minister said that great damage has been done to our economy. He used the figures of \$9 million to \$10 million. I would like to look at what our Labor Governments, both Federal and State, have been doing about this. The Prime Minister of Australia said that the militant pilots will not win their 30 per cent pay claim, and that the employers will have the full backing of his Government to take every action necessary to ensure that the pilots' outrageous demand is not granted. Yet what have we seen happen? The Australian Federation of Air Pilots had until 8.00 pm one night to end their industrial action or the pilots would face the sack and the threat of being sued.

We have seen also the armed services being brought in to break the strike. The last time we saw that happen in this country was in 1949 during the coal strikes. We saw the Federal Government pledging support for newspaper advertisements to recruit pilots. The basis of this recruitment was not an award; the Government actually supported the pilots being removed from the industrial relations system. That is like finding a law breaker and saying, "We will put him outside the law so we cannot punish him any more." The lack of logic in that is quite incredible. We have seen in the newspaper advertisements that the pilots are being offered that terrible thing, voluntary employment agreements, which are individual contracts between the employees, the pilots, and their employers, the airlines. The Federal Labor Government is supporting this action.

The DEPUTY SPEAKER: I have been listening very carefully to what the member has had to say. I assume he can show me it is relevant to the motion before the Chair. He is discussing matters which are outside the motion, such as the Federal Government's response to this. If the member can show me how that is relevant to this motion, which he knows the wording of, I shall be pleased.

Mr KIERATH: First, the motion talks about the great damage being done by the strike. Later I intend to point out that that action has made the damage worse, not better. We are talking about the damage being done. Secondly, the motion calls on pilots to end their industrial campaign for the good of the State. In industrial relations these matters have a great bearing on the dispute. Instead of solving the dispute, I intend to show that it has made the dispute far worse, and it will take far longer to resolve than if something constructive had been done in the first place.

We have seen pilots have their awards and conditions terminated and taken outside the industrial relations system. I thought that went against everything members on the other side of the House were supposed to stand for. I have not heard any of them come out in support of the use of the armed forces. Deathly silence on the other side of the House!

I would like to read some comments of Des Keegan which sum up the position very well -

I've no idea how this will end but it seems unlikely that 1600 pilots will be replaced along the lines Labor would like. Perhaps Mr Hawke recalls President Reagan's dismissal of the air traffic controllers. He lacks the steel.

Yet the dimensions of the problem in replacing 1600 pilots after calling in the military suggests further extreme measures would poison airlines for years. Labor has turned Mascot into a squalid slum and alienated air traffic controllers . . .

Suffice to say the whole thing has been mishandled . . . Bob dreams of a silk scarf around his neck, the reek of cordite in the cockpit and the Red Baron under his Maxims.

But under the failed accord, nobody is going to give an extra hour of productivity because it does not, in any meaningful way, lead to commensurate wage rises.

That gets to the heart of it. The action so far taken by the Federal Government has not made matters any better; it has made them worse. While this charade has been going on, we ask ourselves what on earth has this State Government been doing about it? I would like to quote the Minister for Industrial Relations in an article in *The West Australian* recently.

Dr Gallop: Is this bipartisan?

Mr KIERATH: Yes, it is. Some of us on this side of the House have constructive comments to make.

Several members interjected.

Mr KIERATH: The Minister has been reading my speech again.

Several members interjected.

The DEPUTY SPEAKER: Order!

Mr KIERATH: Government and industry observers were unanimous in their view that the accord was facing its biggest test for six years. WA Labor Minister, Gavan Troy, appealed to the public to "grin and bear the current industrial chaos for the sake of the accord". That is a real, positive and constructive policy to have; one grins and bears it. That is absolutely fantastic! It gives faith to other hard working Western Australians!

Mr Troy: What is your wages policy?

Mr KIERATH: I am coming to it; members will just have to wait.

Several members interjected.

The DEPUTY SPEAKER: Order! I would appreciate it if the member addressed his remarks through the Chair. May I remind him again of Standing Order No 133 - no member shall digress from the subject matter of any question under discussion. I have heard the member's attempts to relate what he is saying to the motion. He should remember that he is seconding the motion, but in my view he is not addressing the subject matter of the motion; rather he is using the opportunity to attack the other side of the House. The member is at liberty to attack the other side of the House, of course, but he has to relate his remarks to the context of the motion.

Mr KIERATH: I shall read the motion to the House so that I have it right. It says that this House asks the pilots of Western Australia to appreciate the great damage done to the economy of the State by their industrial action, and it calls on pilots to work towards ending their industrial campaign for the good of the State. I felt that my remarks were definitely addressing those problems. I was asking a question about what the Government was doing. The Government has moved the motion, and the motion explains the inadequacy of the Government's policy and its lack of ability in this regard.

Mr Clarko: Do you think you should move an amendment?

Mr KIERATH: Perhaps I should.

Mr Clarko interjected.

The DEPUTY SPEAKER: Order! The member will cease interjections.

Mr KIERATH: I must admit I did contemplate moving an amendment that supported the use of strike breakers and the armed forces, but I thought the other side might have difficulty in supporting it.

The DEPUTY SPEAKER: Perhaps the member might make up his mind what he is doing.

Mr KIERATH: We have released comments to the Press in relation to this on a couple of occasions. Provisions exist under the existing national and State wage fixing guidelines to resolve the dispute. For the benefit of members on the other side, there is such a thing as a special case, although it is not definitely laid down in black and white. With a little intelligence it is possible to find out the criteria required for special cases. To save time I will tell members opposite.

The first criterion of a special case is that it should be in the public interest, and I am sure

from the Minister's comments that it is in the public interest to end the pilots' strike. We see that international tourism is hurting; that interstate tourism is hurting; we see that business is hurting; that commerce is hurting; we see that sporting programs have been ruined and family holidays have been ruined. In fact the dreams of many families have been ruined by this strike.

The second criterion - and the Minister for Education should listen intently here because she might learn something to help solve her dispute, and I shall be happy to talk to her afterwards - is that a special case must result in minimal cost. The Minister should listen; she might learn something too. The Australian Federation of Air Pilots has calculated that its members' salaries account for less than one per cent of air fares. If members accept that, what is their claim really? If their claim were granted in full - and I am not suggesting it should be - it would account for 0.3 per cent of air fares. In contrast to that, what damage is being done? We have been told by members opposite that the damage will be \$9 million to \$10 million per week, and yet we are talking about 0.3 of one per cent of the cost of air fares.

Mr Peter Dowding: I came in a bit late. Are you suggesting we should pay the pilots?

Mr KIERATH: The Premier should listen because he might learn something.

We have seen far greater increases than that as a result of the Federal fuel parity pricing. The current cost of this dispute to the people of Australia far outweighs a cost increase of less than half of one per cent. The third criterion of a special case is that there should be no flow on. If negotiations centred around the wage fixing principles, which is for award restructuring and productivity increases, a precedent could be avoided. Members can see that out of the three criteria for special cases, this dispute could be accommodated under a special case.

Mr Peter Dowding: How?

Mr KIERATH: I have just given the House the three reasons. Had the Premier been here to listen, I could have taken him through them step by step. The Premier should have known what a special case was all about because at one stage he was supposed to be the Minister for Labour.

Mr Peter Dowding: Should teachers be?

Mr KIERATH: A solution is available.

Mr Peter Dowding: Is it?

Mr KIERATH: I said I would speak to the Minister for Education afterwards. I am more than willing to offer my services.

Mr Peter Dowding: Tell the House. Do teachers fall within your definition?

Point of Order

Mr LEWIS: Mr Deputy Speaker, you drew the attention of the member to the need to direct his attention to matters germane to the motion. I suggest that interjections from Government members are not germane to the motion and in that regard, Sir, you should rule them out of order.

The DEPUTY SPEAKER: I appreciate the endeavours of the member for Applecross in assisting the Chair to control this debate but the matter of teachers was in fact introduced by the speaker so it is hardly surprising that responses have been forthcoming on that subject. To rule interjections out of order on the basis of their relevance is really not the point. Interjections are out of order anyway, as all members of this Chamber know, but I am attempting, without stifling interjections, to control their flow, which is a little difficult. I ask the member on his feet perhaps not to solicit interjections, to keep to the subject and - I was almost going to say "wind up" his speech, but I will desist from that - to remain relevant to the motion. I ask members on the Government side of the House to desist from such voluble and frequent interjections.

Debate Resumed

Mr KIERATH: Thank you, Mr Deputy Speaker. I was trying to address the essence of the motion, which was to bring about a resolution to this conflict. Despite comments from the other side, I actually was producing some very constructive and positive suggestions. My

suggestion originally was that a special negotiator should be appointed to try to resolve this conflict. I went on to say that the conflict could be resolved under special case guidelines. Not only did I do that, but for the benefit of members opposite I went further and outlined the conditions that could be included under a special case. I hope members opposite have been able to follow me through. There are some essential ingredients for successful negotiations. Firstly, the person should not be directly involved in the dispute; secondly, that person should have some experience in industrial negotiations; and thirdly, and most importantly, that person should have a commitment to resolve the conflict. There are eminently qualified people around Australia who could fit that role, but should they not be available at short notice, I would be more than willing to offer my services. I am sure that then we might actually get a resolution to this dispute, and not have this ridiculous standoff with people having their backs to the wall, with no resolution in sight. I ask members opposite: Would they take the same action against a union affiliated with the Australian Council of Trade Unions? I think not.

In order to accommodate two other speakers I will bring my remarks to a close. I have had great pleasure in seconding this motion and I only hope that the Government has learnt something today and at least tries to resolve this conflict.

MR GRAHAM (Pilbara) [5.15 pm]: I support the motion. I was going to second it, but I am pleased by the bipartisan support it has received. This is my first experience of bipartisan support, and I am most impressed by it.

I have a particular interest in this debate because I am from the north west, and I am currently one of the victims of the dispute. I am cut off from civilisation, and marooned in Perth. I do not know how I will get over that. The Minister spoke very well about problems the dispute has created in Western Australia. He pointed out that Western Australia is the most isolated State in Australia. I am fortunate enough to represent the north west, which is the most isolated part of Western Australia, and I would just like to make members of this House and the public aware of what happens when a dispute in the airline industry affects the north west. We in the north west rely totally on road transport and aircraft for all the things people in the cities and the south take for granted.

I will give members some examples of that. If one wants to see a medical specialist in the north west, one has to rely on an airline to deliver that specialist to the town on a regular visit. There are now no aircraft delivering specialists to the north west and the people there are suffering medically as a result of the dispute. The other way of seeing a specialist is to be referred in the north west to a specialist in Perth. However, one cannot do that now because there are no aircraft; again people are suffering in the north as a result of that. I have been advised that the Royal Flying Doctor Service is not able to help; it is not equipped for this type of thing. The dispute is having an immediate effect on the north west of the State and the people who live there. It is an unacceptable situation and the pilots should get their act together and sort it out. Two weeks ago the north was in a worse position because the long range cartage haulers were on strike; however, they sorted out their problems. They used the commission and the system, and solved their problems. I do not know - perhaps Mr McCarthy from the Pilots Federation can ring John O'Connor and get some lessons in negotiating, but the pilots have not shown any indication they are prepared to get together inside the system and sort out their problem. That is what they should be doing. That is what the motion calls on them to do, and for that reason it is worthy of support.

However, this strike goes further than affecting the treatment of people's medical problems. A number of things happening in the north, such as tourism, are being affected. Tourism, for instance, is a fledgling industry. It just happens that this is the peak tourist period in the north west and now there are very few tourists, by and large, coming to the north west. People have invested money in the north, have created jobs and are trying to do the right things for the north west in order to develop the tourism industry and to put it on the map, and now their livelihoods are at risk. The strike must end soon. I recently spoke to a group of fishermen in Port Hedland who are interested in setting up a small fishing industry there in order to send fish to Melbourne to service Melbourne restaurants. They rely on regularly scheduled aircraft but there is none. I do not know whether they are still interested. However, if this behaviour by pilots becomes a regular thing, I would be damned if I would put money into a business like that. I hope those people have enough faith in the system to do it.

People in the north west of this State in the main work in the mining industry. They are not able to take their holidays whenever they like. They are rostered for holidays and they have to take them at that time. Generally, those people fly on annual leave and this strike has caused them problems. They are now not able to go on annual leave or if they have gone they cannot get back. They are not able to see their extended families. This is all because of what I consider is a greedy claim by greedy pilots.

The member for Riverton suggested, tongue in cheek, that he would offer himself as an arbitrator in the dispute. That would be interesting. The last dispute an independent arbitrator was appointed to solve was the Robe River dispute and that was criticised by the Opposition.

Mr Peter Dowding: Don't look for consistency from that lot. I know you are optimistic, but I have covered the same ground.

Mr GRAHAM: I will not. The pilots have decided to work outside the wage fixing system.

Because of the problems being experienced in the north west, I asked the Minister for Transport to contact the Federal Minister for Defence to see whether a plane could be supplied by either the State or Federal Government to assist the people of the north west in these difficult times. I have been led to believe - it has not been confirmed - that the north west will be the next area to be supplied with a Royal Australian Air Force aircraft. I thank the Minister for that assistance.

I support the motion and ask the pilots, once they are advised of its passage through this place, to consider it seriously.

MR WIESE (Wagin) [5.24 pm]: I wish to turn this bipartisan support for the motion into tripartisan support. The National Party believes that it is time the people involved in this dispute began talking commonsense to try to arrive at a solution to the dispute so that aeroplanes can be put back into the air to alleviate the problems that both sides of this House acknowledge are being caused to the travel and other industries.

I hope we will see more of this Government calling on striking workers to return to the negotiating table. I hope we will see it become involved in the threatened walkout by the meat industry workers in a couple of months' time. I hope it will seek tripartisan support from this House for a call for those workers to return to the negotiating table. Unions like that can hold other industries to ransom. The threat is for strife within the next two months - a crucial stage of the industry's existence. I hope this Government will do everything it can to avert industrial strife because it will be absolutely disastrous for the industry.

I praise this Government for attempting to get the parties back to the negotiating table to achieve a solution to this strike. I hope that we will see more of it in the future, especially when the strife affects vulnerable primary industries.

Question put and passed.

The SPEAKER: Order! I have some very important information to impart. I have been having discussions with members on both sides of the House and it appears that fairly important meetings are to be held during this suspension and that the timing of the resumption is not entirely appropriate. In view of that, I will leave the Chair until approximately 7.30 pm.

[Questions without notice taken.]

Sitting suspended from 6.00 to 7.30 pm

BILLS (12) - INTRODUCTION AND FIRST READING

1. Daylight Saving Bill
2. Election of Senators Amendment Bill
Bills introduced, on motions by Mr Pearce (Leader of the House), and read a first time.
3. Appropriation (Consolidated Revenue Fund) Bill

4. Appropriation (General Loan and Capital Works Fund) Bill
Bills introduced, on motions by Mr Parker (Treasurer), and read a first time.
5. Government Railways Amendment Bill
6. Transport Co-ordination Amendment Bill
Bills introduced, on motions by Mr Pearce (Minister for Transport), and read a first time.
7. Road Traffic Amendment Bill
Bill introduced, on motion by Mr Pearce (Leader of the House), and read a first time.
8. Spent Convictions Amendment Bill
9. Public Trustee Amendment Bill
10. Change of Names Regulation Amendment Bill
Bills introduced, on motions by Mr D.L. Smith (Minister for Justice), and read a first time.
11. Freedom of Information Bill
Bill introduced, on motion by Mr Hassell, and read a first time.
12. Mining Amendment Bill
Bill introduced, on motion by Mr Thompson, and read a first time.

MOTION - CENSURE

Premier

Debate resumed from an earlier stage of the sitting.

MR PETER DOWDING (Maylands - Premier) [7.44 pm]: I understand that the Parliament's role and duty is to provide an opportunity for debate on matters of importance. I understand also that the Opposition has been champing at the bit for months now to debate in Parliament the petrochemical plant issue. I have not denied it the opportunity; it has a right and it ought to be at liberty to do it. However, I draw the attention of the House to the parliamentary time it wishes to use to debate different matters. The Government had to do a deal with the Opposition to get one hour to debate the airline pilots' dispute. That debate is extremely important to the community of Western Australia. It will involve a loss of earnings of approximately \$100 million in the next few months. Even if it is settled tomorrow, \$200 million, \$300 million or even \$500 million will probably be lost to the community of Australia.

Mr Parker: They are unsure of their position on that strike. They do not know whether they support the pilots.

Mr PETER DOWDING: That is right.

An Opposition member: Do you support your leader?

Mr PETER DOWDING: It is the Liberal Party which, since 1981, has been involved in leadership challenges. We have not had a challenge for the leadership since 1981.

Mr Parker interjected.

Mr Lewis interjected.

The SPEAKER: Order! Very nice. If either member wants to receive the call after the Premier, please stand up and I will give it to him.

Mr PETER DOWDING: I have worked in very few places where the loyalty of my friends and colleagues has been firmer. They know and I know that the instant someone comes to me and says, "Dowding, roll over" I will probably do it. However, the wonderful thing in all the years that I have worked in a variety of workplaces and in all of the adversity that we have had to face over the last two years is that the people who sit around the Cabinet table and in Caucus have been excellent friends and colleagues. The people who know that are

those who sit and observe this House, the members of the Press. They know what our relationship is.

Mr House: The story is that Burkie liked you so much that he could not think of anybody better to whom to leave the mess.

Mr PETER DOWDING: No-one takes on this job without personal concerns about one's capacity to do it. I know that every backbencher and my loyal colleagues on the front bench had views about whether I could do the job. They have been fantastic to me. My frontbenchers do not do each other down as we have seen Opposition members do to each other in the last two days. We have been sitting for only two days and we have seen the Leader of the Opposition make a pitiful contribution to a debate and the sparring between the Deputy Leader of the Opposition and the member for Cottesloe has been extraordinary.

Mr Court: We have heard you have only got two weeks.

Mr PETER DOWDING: Maybe; who knows? All I know is that I would trust every member sitting on the Government benches before I would trust anyone in the Opposition. We deal with all problems that confront us. The one thing we do not have to deal with is a lack of loyalty because we have 100 per cent of that. God willing, members of the Opposition will be able to depend on it themselves one day; only then will the Opposition be a force to be reckoned with.

I wish to depart from my speech and deal with the substance of the motion. I refer to the way in which the Opposition has allocated the time of this House over the last two days. At the moment this country is experiencing an airline dispute.

Point of Order

Mr HASSELL: This is a very serious motion. It is a motion of censure against the Premier and deals with his and the Government's integrity and calls on him to resign. He has now been speaking for a considerable time and has not yet dealt with the substance of the motion.

Mr Pearce: Rubbish! What about before dinner?

Mr HASSELL: I remind the House that the letter from Whitlam Turnbull has absolutely nothing to do with the basic issues of this motion.

Mr Taylor: It has everything to do with it.

Mr Pearce: Have a look at paragraph (4) of your motion.

The SPEAKER: Order! I will not accept interjections while a member is making a point of order.

Mr HASSELL: The Premier has now announced that he will enter into a discussion on the order of the business of the House in the last two days. We might have the opportunity to hear answers to some of the questions we have asked if the Premier attends to the motion and does not stray to a different subject.

The SPEAKER: I am not totally convinced that that is a point of order rather than a point of view. It is not totally frivolous because the member has some concern about the Premier's comments in the last two minutes. However, in my view the bulk of the speech has addressed the motion.

Debate Resumed

Mr PETER DOWDING: The truth is that the Opposition can give it but its members cannot take it. It is true that the Deputy Leader of the Opposition can say the most awful things about anyone, but as soon as anyone says anything about him or his family, he goes ape. I do not believe the Opposition is serious with this motion because we have been in the House for two days and nothing new has emerged. No new information has been provided and no new scandals or outrages have emerged; it is the same stuff the Opposition has been trotting out week after week and month after month - the same carping criticism. Not only has nothing new been presented, but also I do not think the Opposition is serious. What was the Opposition's contribution to the debate on a matter which is serious and which affects the day to day lives of all Western Australians in a real and immediate sense? The new member for Riverton was put on his feet and he made the most extraordinary contribution towards industrial relations in a speech which left Government members breathless. God knows what

the Confederation of Western Australian Industry thinks of that speech. It was an opportunity for the Leader of the Opposition to get all his members and members of the National Party together behind the Government and to criticise the conduct of the pilots in the hope that -

Point of Order

Mr HASSELL: I am sure you will agree, Mr Speaker, that this has nothing to do with the substance of the motion before the House, which is a serious censure motion against the Premier personally, his Ministers and the Government. Discussion about this issue is totally irrelevant and contrary to the Standing Orders.

The SPEAKER: It may well not be the sort of answer the member for Cottesloe is requiring, but I do not think it is my job to ensure that the member receives the answer he wants. I will admit that I am confused at the moment as to how it will relate to the motion we are discussing, but I feel sure we are about to be enlightened.

Debate Resumed

Mr PETER DOWDING: I am trying to demonstrate to members opposite that I do not believe they are earnest about asking the community to take this motion seriously. This moment of some crisis in Australia, brought about by the airline pilots' dispute, was a time for some bipartisanship, and an expression of opinion from this House, unanimously adopted by all members of Parliament, condemning the pilots' actions might well have had an impact on the hearts and minds of the pilots. That would have been a demonstration that the Opposition cared about the community. A debate took place in which the member for Riverton made a contribution that would have shocked the pants off the Confederation of Western Australian Industry. He advanced the most absurd industrial relations theses, and the Leader of the Opposition could not even muster his troops to present one point of view.

Point of Order

Mr BLAIKIE: Mr Speaker, two points of order have been taken by the member for Cottesloe, and I raise yet a further point of order that the matter under consideration by the House relates to the performance of the Premier and the Government. A debate has already taken place relating to the airline pilots' strike, and I ask that you instruct the Premier to confine his remarks to the motion under consideration.

The SPEAKER: For a different reason under the Standing Orders from the one raised by the member for Vasse - I advise that it is improper to canvass a debate which has already taken place in the Chamber - I agree with the point of order raised. However, it was my view that the Premier was endeavouring to utilise the debate as an example of what he felt was the Opposition's attitude to this motion.

Debate Resumed

Mr PETER DOWDING: I do not think this motion was designed to achieve or even demonstrate the need for the objective spelt out in the motion. It was born out of a sense of desperation and a feeling that the Opposition needed to be on the front foot and able to say it did something positive by calling for the Premier's resignation and for an election. An allegation has been made about honesty and integrity. The reason for the statement made yesterday was that I felt there were principles that should not be compromised. They are principles which, with the pressures of the circumstances I have identified, might well have resulted in some weaker members of the Opposition buckling under and perhaps they would have compromised. The Government would not, and did not. It made it public and took the political flak, and the wimps on the Opposition benches have moved this motion. To talk about honesty and integrity in those circumstances is a nonsense.

I refer to the debate that was held yesterday; I know the member for Collie had enormous problems grappling with that debate. I repeat what I said in the media: Until yesterday the Government had to rely on what Bond Corporation told it. Today, all of a sudden, little trickles of sand have started to appear from the walls of the Opposition. My ministerial colleague, Julian Grill, will know what I talk about when I say that when a person who is underground sees a little trickle of sand, he realises something is going to happen. When I worked underground it was the one lesson I learnt; if a trickle of sand is seen, it means something big will happen. I predict that with the mistakes, the little glimpses in the public

utterances of the Deputy Leader of the Opposition yesterday and today, the admissions of Bond Corporation in its statement that meetings took place, and claims that now specific dates could be investigated, we shall see changes in the material that I brought to this House. I have demonstrated today that it is not a fabrication, it is a set of assertions from Bond Corporation to the Government. The question is, have we misled the House?

Mr Court: How many meetings have you had with Bond in the last couple of weeks?

Mr PETER DOWDING: The critical issue is, have we misled the House?

Mr Court: You will not tell us.

Mr PETER DOWDING: Let me look at the issue the member for Cottesloe raised last night - an issue which caught me on the hop because of the huge and vast array of material with which we have to deal on a day by day basis. He raised with me yesterday, and he crowed about the fact, that there was some discrepancy between a statement that I had issued on 6 October and a letter from First Boston. Does he remember that issue?

Mr Hassell: I quoted the First Boston report.

Mr PETER DOWDING: The trouble with the member for Cottesloe and the Opposition in general is that they do not simply ask questions for information. They do not simply go to the point of apparent inconsistencies. They allege that there is outrageous misleading of Parliament.

Mr Hassell: I didn't do that at all.

Mr PETER DOWDING: That is what the member put. I have had some research done about the member for Cottesloe's veracity - about whether or not the Press should trust the people opposite when they feed these little bits out. The member for Cottesloe accused me of misleading the public because on 6 October I issued a statement which suggested that the value to the community of the Government investment in the petrochemical project was between \$185 million and \$220 million. He did not just say, "Look, I have some documents which have a difference, can you explain them?" He suggested on 6 October, which happens to be a day Western Australians will remember for many years since it is my birthday, that I misled the public of Western Australia. "What is the truth in it?" "Would I investigate it?" No apology from the member for Cottesloe; no "Oops, sorry, that is not right." He did not say, "If anyone who reads *Hansard* assiduously thinks I was getting at the Premier I apologise." There was none of that. It takes an enormous amount of work to go through hundreds of pages of documents to find that on 6 October 1988 I was fortunate, not only to receive a birthday present, but also to receive a letter from First Boston. Not only did this letter arrive on my birthday, but it was tabled in Parliament, so I am informed. I have not had time to check that. Has the member for Cottesloe checked it? In the letter this paragraph appears -

You will be pleased to hear that our interim analysis of the net effect of the various changes in chemical product prices (as now updated by the leading chemical industry consulting firm of ChemSystems), capital costs and energy costs over the past several weeks are currently indicating an increase in the value of the Government's share in the project cashflows from A\$185 million to A\$220 million using a 6 per cent real discount rate.

Mr Hassell: Now it is worth nothing.

Mr PETER DOWDING: See what I mean? The member for Cottesloe switches; he was wrong; he was unfair; he was misleading; he was incorrect; he got it thoroughly, absolutely and completely wrong yesterday, and what does he do? The member does not apologise, he says another thing - "now it is worth nothing". On 6 October 1988 I did not mislead the community of Western Australia. I told the truth and that document, incidentally, has been available to the Opposition. So if I told the truth, who did not?

Mr Hassell: I tell you, Premier, because you haven't done your homework properly. You had better read *Hansard*. You have misquoted what I said. I didn't quote the letter, I quoted the First Boston report.

Mr PETER DOWDING: The member did not have the letter; he quoted my Press release.

Mr Hassell: I quoted the First Boston report that you tabled yesterday and your Press release

and I asked you to explain the difference. I still ask you to explain the difference. This is the document.

Mr PETER DOWDING: He could not do it at school and he is not able to do it now. He still cannot admit he was wrong. He has two documents out of thousands and thousands of pages. He said in the House that I could not explain and that I misled the public. The truth is out - I did not mislead the public. He should apologise.

Mr Hassell: Where did I say you could not explain it, Premier? You haven't even got it right.

Mr PETER DOWDING: He should apologise.

The SPEAKER: Order!

Mr PETER DOWDING: Once again in relation to his reference to the Commission on Accountability the Leader of the Opposition has also effectively misled the House because when he champions the views of the Commission on Accountability - the Commission on Accountability was chaired by none other than Sir Francis Burt, a move, incidentally, which I am told took the Leader of the Opposition's breath away in the party room; he was lucky it did not take his position away, as that is about the only thing he still has - it included the Under Treasurer. Does the Leader of the Opposition remember him? Does he have faith in the Under Treasurer?

Mr MacKinnon: You contravened the Burt report.

Mr PETER DOWDING: Does he have faith in the Under Treasurer? What a scumbag! Fair dinkum. Does he have faith in the Under Treasurer?

Mr Court: I don't think you have been sleeping too well lately. You have turned into a bit of a grump.

Mr PETER DOWDING: What the report does contain, which the Opposition Leader has not quoted in his reference to it, is a very important clause on page 25 -

The basis for this recommendation is that accountability to the Parliament ultimately rests upon a head of public policy which, within the Westminster system of Government, so called, is of fundamental importance. This recommendation is not incompatible, in appropriate cases, with the details of negotiations or agreements being held confidential at the discretion of the Minister but, if so, the Minister would be doing so in full knowledge of the facts and would be held accountable by Parliament for so doing.

Dr Gallop: Ministerial responsibility.

Mr PETER DOWDING: That is right. It is the subtlety of this document which continues to elude the Opposition, either by reason of its incapacity or its lack of desire to be frank about it. This is a very subtle document. No lawyer - Bill is one; Julian is another - has ever gone into court and had a judgment from Sir Francis Burt who has not had cause to think about every single word of the judgment because the man has an extraordinary mind. He writes with an extraordinary precision but with immense subtlety because these are complex issues and this report makes it 100 per cent clear that accountability is not about having everything out on the table all the time. No Government could ever operate like that. The member for Cottesloe prostitutes this document if he says that Government is about doing things at all times out in the open under the gaze of public disclosure, even when it is about a commercial decision of Government. This report of Sir Francis Burt, adopted by the Under Treasurer, says the recommendation is not incompatible with details being held confidential at the discretion of the Minister. All of that must be stated. He does not understand it. The member for Kingsley has not read it.

Mrs Edwardes: Do you know how to spell it?

Mr PETER DOWDING: The member for Kingsley is a lawyer. If she had read it she would not be talking such claptrap about what accountability means. Now I could enthuse about the study of accountability because -

Mr Hassell interjected.

Mr PETER DOWDING: That is a different issue and I adhere to that absolutely but I could

wax lyrical on this issue of accountability because members on the other side, frankly, have not understood it. That is why it is such nonsense for the Leader of the Opposition to accuse me or my Government of breaching the conditions of accountability when, in respect of WA Government Holdings Ltd, in the midst of very sensitive commercial negotiations designed to maximise the benefits to the taxpayers of Western Australia, he says documents that were signed were not immediately made public. To suggest that is a breach of the rules is nonsense. The Commission on Accountability recommended, in relation to WA Government Holdings, that we take immediate steps -

Mr Hassell: It could not make full recommendations because you kept the documents secret from it.

Mr PETER DOWDING: Did the member read the bit about the SEC?

Mr Hassell: Yes.

Mr PETER DOWDING: What did he think about that when sitting round the Cabinet table?

Mr Hassell: I think you should deal with the real issue.

Mr PETER DOWDING: Did the member not agree with it at the time? On page 75 of the document the commission told us what we should do in respect of WA Government Holdings; I gave an undertaking to do it, and I did it. It was said that we should reconstitute this agency as a statutory agency which would observe the accountability criteria set out earlier in this report, and members opposite prevented me from doing it. Make no mistake about that. This is a motion based on a fallacy that we did something improper in relation to WA Government Holdings in line with the directions of the Commission on Accountability. That is not so; it is absolutely and utterly incorrect.

The first paragraph of this motion is utterly and completely incorrect. Furthermore, the documents about which the Opposition complains were executed by me at the request of the Under Treasurer. The Under Treasurer was on the Burt Commission on Accountability. So paragraph 1 of this motion is absolutely and utterly incorrect as a matter of fact and as a matter of interpretation. It falls to the ground. One could not get a dog licence on the strength of that case.

Paragraph 2 makes reference to deliberate and calculated falsehoods. I absolutely reject that. During the last days of Rothwells I am sure Opposition members in their heart of hearts will admit that it would have taken only one ill-advised word from me for the whole thing to fall over. The result would have been a commercial disaster.

Mr Hassell: It is a commercial disaster.

Mr Court: It is the greatest commercial disaster that this State has ever seen.

Mr PETER DOWDING: An ill-advised word might well have resulted in enormous detriment to many people. I sought to act on the advice of people who could give independent and qualified advice. I sought to act without the glare of publicity about what was being said to me, or the context in which it was said. I concede that.

The Leader of the Opposition asked me about a meeting. I was not in any circumstances going to reveal details of matters which had been put to me, because the commercial ramifications could have been enormous. Obligations of secrecy are put on me from time to time as an inevitable consequence of office. The Opposition plays fast and loose with this because it is not prepared to accept the mantle of confidentiality in any circumstances. We have offered members opposite briefings from experts and commercial people on all matters we have to deal with, but they always decline.

Mr Court: We would not trust your briefings or your party dealings.

Mr PETER DOWDING: Not briefings by me. Members opposite have been offered briefings by the very people who have public responsibility as public servants, and they have chosen not to take advantage of them. That is their choice. Ministers of the Crown have tremendous obligations of secrecy, and that is a burden which rests on all of us on many occasions. People come to us with information, and we must retain their confidentiality. To say that we have indulged in deliberate and calculated falsehoods is, frankly, not sustained. I reject it on behalf of the whole community and the Labor Party in office.

In relation to the arrangements for the petrochemical project, we also said that it was inappropriate to make those documents and details public until all the negotiations had finished. They would be made public when the project was finished, up and running.

Mr Hassell: You did not say that.

Mr PETER DOWDING: I did say it. I repeated it till people became bored with hearing me.

Mr Hassell: It is one of your latter day explanations - something you have cooked up for the purposes of this week's debate.

Mr PETER DOWDING: I have repeated it continually, and I have repeated it personally to some of the members opposite.

Mr Hassell: To whom?

Mr PETER DOWDING: I have spoken to them personally and urged them to try to get the Opposition front bench to have some sense and understand what we are doing. There was an unfair burden on me and on other members of my front bench because we were being hounded by the Opposition, by the Press and by other people to disclose matters which were, firstly, constantly changing in negotiations; secondly, sensitive to the point where we wanted to maximise our commercial position; and thirdly, sensitive to the point where Sir Charles Court said at an earlier interview that the sort of blathering which Governments and Oppositions can get into can actually destroy the prospects of financing projects.

I am prepared to argue the point if members opposite want. Next time they are in office in five, 10, 15 or 20 years' time and they have a project they are trying to get up in the glare of publicity, good luck to them. But, rightly or wrongly, we take that view. On that basis we did not want to give the information, therefore of course we gave answers which were specific and as far as practicable precise. Members opposite say that a clear reading of that indicates that they could have been equivocal. It was not a case of deliberate and calculated falsehood, and I reject that suggestion absolutely.

In the short time left to me, let me deal with the next point, which alleges a continuing and wilful course of conduct involving obligations in relation to the petrochemical project. It says that the Premier himself, in a post-election situation, now acknowledges that to be onerous and oppressive. What does that mean? What am I supposed to have done? We have a project which we believe could have worked. One of the partners took one view, the managers took another, and as a result of that we have come to a temporary dead end; temporary in the sense that I believe the petrochemical project will rise again like phoenix.

Several members interjected.

The SPEAKER: Order!

Several members interjected.

The SPEAKER: Order! Interjections of this sort are intolerable. It is coming to the stage where members are trying to shout down not only the person to whom I have given the call, but also me when I am calling order. I do not want to stop interjections; I want a free flow of information, and, indeed, the occasional interjection, but members should wait for the appropriate moment.

Mr PETER DOWDING: There is no question that a project will emerge from the ashes and we will get the returns to the community of Western Australia - I must say with no thanks to the Opposition, but we will get there.

Mr MacKinnon: Just before the next election!

Mr PETER DOWDING: It will be a helluva lot more real than that sponge iron plant that was going to emerge year after year.

Mr Court: How many times has Bob Hawke announced the reopening of the blast furnace?

Mr PETER DOWDING: Let me finish. We have acted as best we can for the people of Western Australia and they will see the benefits, but it does take time, which is why Governments get four years.

Mr Court: I think you will all get four years!

Mr Hassell: And that will be the minimum!

Mr PETER DOWDING: We will get a position of intense distress by members of the Liberal Party that they simply cannot cop. The fact is that we will get that project up and running.

The final matter is my totally unsubstantiated allegations. They are serious; they are not criminal. It is not an attempt to deflect information or comment from any matter; it is a report to Parliament about what has been put to us by the people with whom we have been negotiating. The substantiation of that has been provided tonight, and I make it quite clear that the allegations are not allegations of fact but statements of what people have said to us. They are not designed to establish the truth of peripheral arrangements that might have been put in place but rather to indicate what words were being used to the Government in order to influence the outcome of the commercial negotiations. So they are not unsubstantiated. I myself am a witness to some of those words - they were used to me. The lawyers present also heard the words used, and other people were present to hear those words. Whether we go beyond that and link the Opposition into some unholy conspiracy is a matter for which we have no evidence. However, it is extraordinary if the Leader of the Opposition naively thinks that after 12 months it is coincidental that a call from a director of one of the Bond Corporation entities suddenly comes out of the blue asking for a chat about the petrochemical project at the very same time the State is involved in the most sensitive, difficult and tough commercial negotiations. We have no intention of taking the view that the Government should resign, nor that I should resign. I am buoyed by the fact that my Caucus does not think I should resign -

Government members: Hear, hear!

Mr PETER DOWDING: - and my Cabinet does not think I should resign. The only people who talk about it are members opposite and they are a bit desperate.

Mr Hassell: And the public.

Mr PETER DOWDING: The reason some members opposite are not as keen as others to see a resignation is that they cannot work out who should lead the Opposition to an election if there were one.

This is a stunt. The matter does not justify a motion of this sort. We have been over this stuff endlessly. We undertook to the National Party, among others, to table the documents; we have done so. We have informed the House of the stage the negotiations have reached. We have made a hard commercial decision and taken it fairly and squarely on the jaw. It has not knocked us out; it has not knocked us over. We are determined to use our vigour and energy to see this project succeed - perhaps with different partners, but certainly to see it succeed.

I say to all the fading flowers on the Opposition benches who would find it appalling if they were sued - and some of them have been, and some of them did find it appalling - that we will not be deflected. We expected the litigation and we will win it. We will succeed in getting this project up and running. Not only will we succeed in that, but also we will demonstrate to the community in Western Australia and elsewhere that people cannot get what they want from this Government by threats. We will stand up to them.

Government members: Hear, hear!

MR HASSELL (Cottesloe) [8.25 pm]: One of the things that Bond Corporation said today, bearing in mind that that company did not have the forum of this House in which to respond to the Premier's allegations, was quoted on the front page of *The West Australian* in the name of Peter Beckwith. He said that in making various matters public -

"... we will demonstrate that the Government has sought to change its agreement with Bond to match statements made to the Parliament and to the people of Western Australia."

Mr Peter Dowding: That is what they warned they would say, isn't it?

Mr HASSELL: I think that statement carries some truth. As you know, Mr Speaker, and as this House knows, I carry no candle whatsoever for Bond Corporation - I think it has been implicated and involved in dealings which are simply disgraceful. The fact is that that corporation knows that the Premier has changed his tune and his actions so as to try to make what he is now presenting fit with what he told us before. Even though I have only a very

short time in which to speak, I intend to demonstrate from the written record the way in which this Government has utterly misled the House and, through the House, the media and the public of Western Australia.

However, before I turn to that I want to pick up immediately the Premier's assertions about what I said last night in relation to his statement of 6 October last year; because he did get it wrong. Very simply, I did not make any accusations at all about it. I was very cautious about it. I said to him that I had not yet read the full First Boston Corporation report which he tabled, but I said that I would put this example to him because he would hear a bit more about it. Then I set out the figures and said that the Premier would have to think up an explanation for it. His explanation for it tonight was to quote the First Boston letter - I assume it was the one he tabled in this House - and to attribute to me the fact that I had misquoted it.

I did not quote the First Boston letter last night in this House. What I quoted was document No 267R that the Premier tabled in this House yesterday - and there it is, and there is what I quoted. It was paragraph 2 under the executive summary on page 2 of the document. In other words, the document that the Government had kept secret until last night was the document I quoted, and it refers to the equity price range being between \$130 million and \$185 million, whereas the Premier quoted the figure in his Press statement as being between \$150 million and \$220 million. They are different statements. I asked the Premier to explain it. He has not explained it. He has instead tried to impugn the action I took in simply quoting the figures.

Enough of that - time is short. I want to deal with the substance of this whole debate and issue. We need to have an understanding of the situation from the beginning. Most members of this House will understand that if any major development with a major involvement by the Government is to get off the ground in this State - whether by way of agreement, guarantees, participation or whatever - a measure of political consensus on that development is needed. The basic problem for the petrochemical project from the outset with Government involvement was that that consensus did not exist - because the Opposition believed that the project was a dishonest one from the beginning. The Opposition believed, as it still believes, that the project was put together dishonestly. The Opposition believes that what the Government has now admitted is true - that the petrochemical deal was primarily about pouring money into Rothwells to rescue the Premier's mate, Mr Connell. The project was not about a legitimate purchase into a petrochemical project. The member for Perth knows that because he is a person who has stood out in some strange ways, quite isolated against corruption.

Mr Pearce: That is not what you said when he made his speech.

Mr HASSELL: I did not say anything then.

Mr Pearce: Your side of the House was vitriolic then.

Mr HASSELL: Whether we agree with him or not - and mostly we do not because the member for Perth is an extreme left winger; he is so extreme he embarrasses the Government, and he is certainly no friend of the former Premier - the member for Perth has stood out against corruption. He knows, Mr Speaker, that this deal has been a very questionable one from the beginning. The deal got off to a bad start. However good it might have been, it was not good after the Government carried out its dishonest and dishonourable dealings with Bond Corporation, Laurie Connell, and Dallas Dempster to buy into it, because everybody in Australia knows that the petrochemical project in July 1988 was not worth \$400 million. Mr Speaker, the beginning, the middle and the end of the Premier's problems with the petrochemical project, and the attempt by him tonight which follows nine or 10 months of attacks, go back to the fact it was initially a dirty deal.

Mr Pearce: The Opposition must have professional speech writers; it is determined to get value for money by making the same speech over and over.

Mr HASSELL: I have outlined the essential problem as it started. Then we come to the question of whether the Premier and the Deputy Premier in particular have been dishonest and have misled the Parliament and the public. By examining that we are trying to establish whether someone has told lies or untruths. To establish that is always difficult in retrospect because one has to be able to demonstrate not that what they said at the time was true or false

according to a measure of something that happened subsequently but that what they said was false at the time they said it and that they knew it was false. That, of course, is the essence of the matter under debate. It goes to the credibility of the Premier, the Deputy Premier, and indeed the Government because the Government as a whole has deliberately misled the public over a long period.

We have to remember that when the Premier glibly talks about the need for commercial confidentiality, as he did tonight, that has not been disputed by us. It was not a case of the Government saying, "Certain deals are in place, and we will not tell you about them." There were some deals the Government would not tell us about. What the Government would not say and what it dishonestly said was that the deals were not in place, when they were.

The motion talks about the dishonesty of the Premier. I think it is a pretty poor situation when the Premier is the subject of a censure motion and he leaves the Chamber after making his speech. He ought to be here to face the speakers against him as well as those for him.

The starting point of the Government's involvement was in July and August, marked by a Press release that the Premier made about the project before the Government was finally committed to the exact nature of it. The Premier's Press release on 28 July 1988 stated that the Western Australian Government had decided to participate in the first stage of the petrochemical project. The Premier said that the Government would take a minority interest in the project and this would involve equity and funding. So on 28 July 1988 the Premier was acknowledging a funding arrangement. I want to put these matters on the record - not just things against the Premier. He was indicating on 28 July there was equity and funding. The Premier also said that detailed negotiations were under way to finalise the precise arrangement and composition of the consortium; Bond would take over project management and Bond would acquire a significant interest in the project from Connell and Dempster.

On 28 July an approach was made by Bond to rescue the failed petrochemical project and mention was made of an investment of \$125 million - which was widely quoted.

On 6 October 1988 the Premier held a Press conference and announced that the Government was putting \$175 million into the project. I referred to that Press release last night. No mention was made then of any investment other than the \$175 million. There was no explanation whatsoever of why the Government's investment had jumped from \$125 million to \$175 million. More important than the Premier's Press statement was what appeared on the front page of *The West Australian* the next day. Let it be put on record that it has never been denied by the Premier. That report read -

That the money for the project would be raised on a non-recourse basis and no taxpayers' money would be involved.

That very clear statement appeared in the name of the Premier and the Deputy Premier. So at the point when the project was launched, the point where it became critical to say what are the deals in place - and we had a stack of documents put on the Table of Parliament last night by the Government - the Government had said and let it be known on the front page of the newspaper that it was putting in \$175 million and that the development money would be borrowed on a non-recourse basis. It would be operating on a non recourse basis which meant there would be no comeback on the taxpayers or the Government and that there would be no taxpayers' money involved. We now know that not only is that not true, but also that when it was said it was not true. That, of course, is the definition of a lie.

We know, from the documents that the Premier has tabled in this House, that at 6 October 1988 there were substantial liabilities on the taxpayer, under written agreements and written arrangements, that the Government had freely entered into. That is the very foundation and the beginning of the absolute lack of truth and integrity in what the Government has done and in what the Premier has said.

It is not what the Premier was talking about tonight; that is, that these things were commercially confidential. Of course, they were. Not only were they commercially confidential, but also, with the election around the corner, they were desperately politically confidential. He did not repeat a statement to the effect that the Government had equity in the project and had made certain commitments and that he would not reveal what those commitments were. The Premier put on record the fact that there were no taxpayers' funds involved and that the finance was non recourse finance.

The two steps are: First, the monumental dishonesty of the original transaction and the monumental lack of integrity in a deal which involved paying \$175 million for something which, as I wrote in my newsletters and from which the Premier quoted - no doubt he receives them regularly - if the Government were extremely generous and the maximum value were given to goodwill, the Government's share of the project, as it stood would be \$20 million. Nobody who is slightly involved in business conceded more, apart from First Boston Corporation of New York, which we now know hedged it in. We did not know that at the time because we were given limited information.

Although my interest is not in First Boston or Bond Corporation I would have to question the integrity of companies which allow themselves to be used in this way by a dishonest Government. Those companies were dishonest to allow a misleading document to be placed on the Table of the House. They knew the document was written for that one reason and they knew it would be used by the Government to justify a purchase which they said might be worth that amount if certain things applied. When one reads the document one finds that the situation was quite different. The Parliament was not told those things. It was said to be commercially confidential. In truth, it was politically confidential.

Step two in the progression of dishonesty was the Premier saying there was no other money involved except the purchase price and that the finance would be non recourse when, in truth, from the outset the finance was not going to be non recourse.

I have followed this petrochemical project very carefully from the beginning and last Christmas I prepared a book on all the material I had about it and I circulated it throughout Australia. I tried to get the media to take up the issue. I said on the front of the book that the petrochemical project was WA Inc's biggest fling. I could never persuade anyone to see that the petrochemical project would be the biggest disaster of WA Inc. It puts Rothwells in the shade. Everyone was concentrating on Rothwells and all those other things while the Government had well and truly gone down the track with this project.

Members of the Opposition and I asked the Government questions and more questions about the petrochemical project. We tried to obtain an answer to a simple question; that is, is there any liability on the taxpayers or the Government of Western Australia in respect of this project apart from the \$175 million which had been paid out? The Premier said there was no other liability.

However, last night the Deputy Premier stood in this House and tried to explain away the words he used so clearly in the Parliament. He needs to be referred to the series of questions which I will quote briefly. On 13 October I asked the Minister for Economic Development and Trade whether the borrowing would be on a non recourse basis as to the State or Bond. Part (5) of question 1526 read as follows -

Does he say that this means that the total State liability will be limited to its investment in PICL and that no call for funding or support could be legally enforced against the State at any time?

Instead of answering all the parts of that question the Deputy Premier gave a generalised answer in respect of parts (1) to (3) and attached a table of the project risks and associated guarantees relating to the project and the contract. This information made reference to First Boston being confident that 100 per cent debt financing could be arranged. The question was not answered although the Deputy Premier had the opportunity to answer it.

In case members think that was an isolated case involving answers to questions, I suggest they read what has been said by Ministers over and over again.

The member for Floreat asked a similar question about the liability and he was told to refer to the answer to question 1526. A number of questions simply referred to that answer which really was no answer.

On 20 October in questions without notice the Deputy Leader of the Opposition put the following question to the Premier -

- (1) Is the non recourse finance for the petrochemical project, as recently outlined by the Premier, dependent on completion guarantees of the project?
- (2) If yes, is the Government at risk with the borrowings until the project is completed and operating correctly?

What have we been talking about these last two days? Why has the Premier appeared on television, 10 times in the last two days? He appears to have said that the Government was only at risk until the project was operating completely. He said that the Government was giving internal support to the project and that there was no risk. I refer members to what he said in this House on 20 October last year in answer to the Deputy Leader of the Opposition's question No 281 -

I thought a statement had already been made by the Minister for Economic Development and Trade to the House about the risk during the construction period. My impression, from the Minister for Economic Development and Trade's words, was that -

Now comes the important part -

... it is quite clear that the risk now lies on shoulders other than the Government's. But in view of the commercial nature of the question, and the Deputy Leader of the Opposition's desire for accuracy, I suggest he either put this matter on notice ...

We put it on notice again and again and could never get an answer. Then there was question 1581 of 25 October from the member for Floreat to the Minister for Economic Development and Trade. He asked, in view of the statements -

... can he give an absolute undertaking that neither the Government nor any of its instrumentalities or agencies will under any circumstances directly or indirectly assist the project should it fail to honour any of its obligations connected with the conditions of the loan agreement with the financiers?

Could he also categorically state that non recourse finance means that no Government, governmental agency or Bond Corporation guarantee is involved?

The Deputy Premier's smart answer was to refer to question 1526 in which I had asked a similar set of questions which had not been answered. On 25 October I asked the Minister for Economic Development and Trade in question 1589 -

Under the proposed non-recourse financing arrangements for the petrochemical plant, will there be any circumstances in which -

- (a) the State;
- (b) the SEC; and
- (c) any other State agency or instrumentality

will be liable for any payments, contribution, construction, guarantee or action beyond its liability as a mere shareholder in the limited liability company Petrochemical Industries Company Limited?

The answer was to refer to question 1526. And so it went on from day to day, week to week in the House as we asked question after question. Answers were not given. When they were given, they were grossly misleading. I will refer to some of those questions quickly. I refer to question without notice 325 of 8 November. I finally asked the omnibus question, but before I reach that I jump over a whole bundle of other questions. On 23 November I asked all the details shown in question 1964 about non-recourse financing and the liability. The Minister then gave the answer that WA Government Holdings had undertaken to procure interim finance for the project secured by a registered charge over the whole of the assets and an undertaking of PICL and that when project financing was in place interim finance would be discharged. There were other references.

That was the first occasion in five solid months since all the arrangements had been put in place that the Government acknowledged that it had an obligation other than the \$175 million. The next day after that question was answered in the House, at the very end of the parliamentary sitting I might say when there could not be an effective follow up, not the Deputy Premier but a spokesman for him was reported as saying on page 2 of *The West Australian*, "Look, we are up for \$20 million." Subsequently, during the election campaign, the amount was revealed as \$55 million. Subsequently again, it was revealed as \$100 million.

One cannot touch effectively on these issues in 30 minutes when dealing with an issue as

long running and complex as this one. However, I can say that there is absolutely no doubt in my mind, or as the Premier puts it, in my heart of hearts, that there was a totally dishonest deal from the start of the very kind that the Premier has condemned in his remarks about Bond Corporation in the past two days. It was that kind of deal that was done; a deal to rescue Rothwells using our money in a totally dishonest way. That was followed by a course of conduct not only dishonourable, not only dishonest, but also absolutely unbelievably dishonest in the extreme, given the obligations of the Government. The Government should certainly resign. There should be another election so that people can make a proper choice, now that they are informed.

MR HOUSE (Stirling) [8.55 pm]: I have listened with a great deal of care and attention today and to a number of debates on this subject over a long period and I do not think it is necessary for me to document the sort of evidence documented by the previous speaker and those who have gone before him. I will focus the attention of this Parliament on a few of the basic issues related to what Parliament is all about. I remember many years ago my father saying to me, "If you are going to tell lies you had better have a good memory." That was a wonderful piece of advice when one thinks about it because the problem is that when one starts to be untruthful there is no end to it. The Parliament of this State has been witnessing in what has unravelled over the past number of months a quite extraordinary chapter of events. One needs to go back to the start of things to examine how we got to where we are today and to examine what the Parliament is all about. That is the matter on which I intend to focus.

The election of the Burke Government in 1983 heralded a different era for this State; it heralded a Government which decided it was going to become involved in a number of issues to do with business that had not been done by Governments before. Therein started a sorry chapter of a Government becoming involved in recourse financing for business deals. Some six and a half years later we have finished up with probably the largest loss made by a Government of taxpayers' money in the history of a Commonwealth country and as yet we have nothing to show for it.

Mr Peter Dowding: As yet.

MR HOUSE: I was interested, Mr Premier, in your comments tonight when you said that the petrochemical plant would rise like a phoenix.

Mr Peter Dowding: Yes.

MR HOUSE: It is interesting indeed to hear that when three or four weeks ago I am sure I heard the Premier quoted as saying it was "dead, buried and finished."

Mr Peter Dowding: No.

MR HOUSE: What did the Premier say?

Mr Peter Dowding: I said what I have always said; that this project, that is, the arrangements that have been in place up to date, may not produce a petrochemical project, but I have never said that without commenting at the same time that I believe we will get out of this work a petrochemical project in a relatively short order. I have never said anything other than that.

MR HOUSE: If I understand the Premier correctly, he is saying that out of the arrangements entered into by his Government with Bond Corporation there will not be a petrochemical plant.

Mr Peter Dowding: Yes, that is the arrangement. I have said that the arrangements for the project that have been put in place will not produce a project because the banks have said that they will not finance it; but I am saying that out of all of that work we will get a project.

Mr Cowan: One of the partners also said it wanted a substantial change.

Mr Peter Dowding: Yes.

MR HOUSE: Therein lies the tale of Government involvement in business. The figures that are bandied around and the examples that can be quoted, and the sorts of things that can be quoted by the member for Cottesloe and others who know exactly what these figures are, are not the point at all. The point at issue is whether the Government, on behalf of the people, should have been involved in these sorts of projects, and whether it is right or wrong for the Government to act and perform and behave in this way on behalf of the people. That is the

question. It is not whether this project can stand up or fall over. That sort of argument will only exacerbate the problem as we go along.

We, as a Parliament, also lost sight of why we are here and why we have been elected to the Parliament and the things we ought to be involved in when we are elected here. If there is anything to be said about this issue in relation to what has happened in this State over the last few years, it has to do with the demoralisation of the Westminster system of Government. It is a fact that under the Westminster system of Government there is an honesty and a pride and Ministers behave with a certain code of conduct. If they breach that code of conduct, or even if they think there is a suggestion of their misleading the Parliament, they step aside. That has not happened in this case. What we have had here is the process of people saying, "We will just continue to say that we are right."

Mr Peter Dowding: Tell me when I have misled the House.

Mr HOUSE: I did not say that the Premier had misled the House. I said that the Government he is leading has been involved in things that should never be a part of Government.

Mr Peter Dowding: That is an ideological debate.

Mr HOUSE: Absolutely, but that is an opinion held by a lot of people in this State and by many people who admire the Westminster system.

Mr Peter Dowding: You should not confuse the two issues. You will see from information that we will be presenting shortly that it is not a position held widely in regard to the Westminster system of Government. The National Party in Queensland has 12.5 per cent equity in a nickel project.

Mr HOUSE: We are talking about the Western Australian Government.

Mr Peter Dowding: Isn't that a Westminster style over there?

Mr Cowan: It has been an enormously successful operation with hugely increased equity arrangements. Did they take this equity in the way your Government took the equity in this project in order to pay a guarantee to the National Bank? I can tell you that they did not. That is the difference!

Mr Peter Dowding: Why did they take it on in Queensland?

Mr Cowan: They took it on because they wanted to encourage the project and get it under way. They certainly did not take it on to retire a guarantee.

The ACTING SPEAKER (Dr Gallop): Order! I think the member for Stirling has the call and the interchange has reached its end.

Mr HOUSE: I refer members to a very interesting article written by Jenni Hewitt and Steven Loxley which appeared in *The Australian Financial Review* of 10 October 1988, some three months before the State election. It states -

Peter Dowding is happy. Alan Bond and Laurie Connell are happy. Dallas Dempster is not quite as pleased but who's complaining?

An extraordinary exchange of money between them in the past four months has led to a new petrochemical plant for Western Australia, the impending retirement of the WA Government's Rothwells' \$150 million guarantee and the capacity of Laurie Connell to pick up \$350 million worth of Rothwells' problem loans. Magic.

And Dallas? Well, he apparently got \$50 million for pushing the petrochemical project for two years until it became apparent the international banks would not lend him and Laurie the finance needed to build the plant.

Is it not interesting what has happened from that point onwards, since the Premier was saying that the plant would stand on its own two feet. What has changed since then?

Mr Peter Dowding: Your leader has said what has changed. That is the same as the project he just referred to.

Mr HOUSE: If that is the case, Mr Premier, is it not interesting to read what the Deputy Premier said? I quote from *Hansard* of Wednesday, 12 April as follows -

There has been no guarantee issued with respect to any of these matters, either by the former Treasurer - the Premier - or by me since I have been the Treasurer, and there will not be any guarantee.

He even went to the extent of saying that he would quote to this House in one syllable words so that we could understand him, and I quote.

There is no guarantee; there will be no guarantee . . . None of these things will happen.

To return to my point, we need to focus our attention on whether this Parliament should be involved, and, indeed, whether the Government should be involved, in providing finance to such projects, because whichever way we look at this project, it has hardly been anything but a disaster. We could look back to the autumn session of this Parliament and the so-called accountability legislation that was introduced. We accepted some of the things that the Government said, and we rejected others. We now know that the chickens are coming home to roost because the legislation did not prove a great deal. We have not really had any more accountability.

Mr Peter Dowding: Why do you say that? I am very surprised to hear you say that.

Mr Cowan: Simply, how much money have you already lost?

The ACTING SPEAKER: Order! I will not tolerate the interchanges as the only two people who should be speaking are the Speaker and the member with the call. Interchange between other members in the Chamber is not acceptable. The member for Stirling may care to respond to the interjection.

Mr Pearce: Why don't you get your leader to whisper it to you?

Mr HOUSE: He has only just arrived and has had a hard day.

Mr Peter Dowding: The ram sales are on, are they?

Mr HOUSE: It is a pity that the Premier does not get out into the bush and see where the real people are.

Mr Peter Dowding: I go out into the bush. I love to go out into the bush, but I have never had an invitation from you.

Mr HOUSE: There is probably a good reason for that. Parliament is an institution that must have the respect of the people, and as an institution I believe we have done this State a great disservice over the last few years. We must make certain that we return to a position where people can see the Parliament as a place of honesty and integrity, where those who are elected here will behave in that sort of way. We should always behave in a way that is honourable and decent on behalf of the people we represent. Democracy is a fragile thing. It cannot, and must not be abused; it must be treated with care and respect. It behoves all of us to examine that position and examine where this Parliament has been over the last few years and make sure that we restore the trust of the people of this State for this Parliament.

MR PEARCE (Armadale - Leader of the House) [9.08 pm]: I support the Premier in opposing this motion. It is the strangest motion that I have ever struck in my time in this place. I have never before seen a motion in which the Opposition thought a matter so serious that it came before the Parliament and called for an election. Giving members the benefit of my days as a teacher of literature, the motion has the appearance of being rewritten a couple of times. The motion that the Opposition was trying to move yesterday sought to censure the Government. With the events in this Parliament yesterday when the Opposition was scooped, somebody must have thought that they should touch it up and add to the censure motion a sentence calling for the Premier to resign.

Clearly somebody else said, "That will not get us much of a headline, given everything else that is appearing before the Parliament", so somebody else added on a bit at the end saying, ". . . and after the Premier has resigned let us have an election". That is the first time that I recall an Opposition coming before the Parliament and moving a censure motion which also called for an election. I think it is also the first occasion on which I have struck a motion of this magnitude - or, indeed, of any kind - which called for an election but where the person moving the motion forgot to do so. The fact is that the Leader of the Opposition, in seeking to give a level of magnitude to the matter he was putting before the Parliament, made this

heavy call and in fact skidded very quickly away from the events of yesterday and today in the Parliament and went back to the trusty old stand-by of regurgitating the speeches he gave last year. The member for Cottesloe is even worse - he is trying to justify the speeches he gave last year. The Deputy Leader of the Opposition, of course, is giving the speeches he has always given; so I suppose there is a bit of consistency and reliability in the approach of the Opposition to these matters, but it hardly represents a serious facing up to the issues before the House.

Serious allegations have been made - serious claims have been put before the Parliament about Bond Corporation, to be specific - in the last day or two. I watched members opposite yesterday when they said, "Where is your evidence?" We indicated to the Opposition that there was evidence. I had seen it, and I was not fussed by the Opposition's call yesterday. It was a bad day in Parliament for the Opposition yesterday. Members opposite went home thinking, "Tomorrow we will come in and stitch them up because they are making claims like those we make. We get up and make baseless claims and fabricate fax messages which purport to have been leaked from Ministers' offices. When we bring these things before the Parliament, they are made up." Therefore when the Government comes in and makes similar startling claims members opposite make the same assumption; that is, that the Government has made them up.

That was the line of argument the Opposition sought to put yesterday. However, the Government did not make those things up, as we told the Opposition yesterday. We did have statements from people who had been involved in these meetings, of the kind that the Premier produced in the House today.

Mr Hassell: Where are they?

Mr PEARCE: Members opposite have already seen them - they have seen Mr Turnbull's statement which corroborates precisely the evidence the Premier gave before the House yesterday - corroborates it precisely, I think, to the satisfaction of any impartial observer. It is worse now because, as the Premier indicated in his speech, enough indication has been given about dates and so on for those members of the Press with an investigative bent to look around and see where certain people were on certain dates and what meetings were held.

Mr Court: One meeting out of all the Opposition and the Premier jumps up and down as if he has come across something great. The Premier must have met with Mr Bond every day for the last month.

Mr PEARCE: The question of one meeting is an interesting point, because yesterday the Opposition was not meeting with Mr Bond. That was yesterday's story!

Mr Court: Nobody has met with Mr Bond.

Mr PEARCE: There had not been any meetings with Mr Bond or Bond Corporation. Now we have had to hear admissions -

Mr Court: No admissions!

Mr PEARCE: - that the Deputy Leader of the Opposition has been meeting with Mr Merszei, who is a director of Bond Corporation. Then we have Sir Charles Court, who gave the most equivocal denial, read out by the Leader of the Opposition before the Parliament, because he will not specify what he is denying. It is not a bad trick to say, "I am denying all these things", but he was very vague about what he was denying. What has happened to Sir Charles Court today is, again, very interesting. Reporters from all around Australia have been trying to pin him down on precisely whether or not he has had meetings with Mr Bond or Bond Corporation, and he has not denied those things. He has used the classic Sir Charles Court sidestep - which was a very popular dance in Western Australia a few years ago - saying, "Anyone in Perth meets with Mr Bond." The question was, "Have you met with Mr Bond?" The response was, "Of course, it is very difficult to live in Perth without running into Mr Bond." That is a neat way of not having to say no directly to a question without saying yes directly to the question. I think people will be very interested in the next day or two as to where Sir Charles Court was on 15 August, or 21 August, or whatever the operative date was. I think people will be asking questions about those things.

Then we have the very interesting statement of Bond Corporation, put out late this afternoon. It says in its Press release that although nothing improper has been going on, of course Bond Corporation has been briefing senior figures of the Opposition parties.

Mr Court: Who are the senior figures?

Mr PEARCE: That is up to Bond Corporation to say. However, members opposite are denying that these briefings have been taking place. Let me pick up what the Deputy Leader of the Opposition has said. He said, "Bond Corporation is not talking to us." Bond Corporation today has said that Bond Corporation is talking to the Opposition. Either the Deputy Leader of the Opposition is telling a pork pie or he is accusing Bond Corporation of doing the very same thing.

Mr Court: Who are the senior Liberals?

Mr PEARCE: I do not know. How would I know? What I am saying to the House is that Bond Corporation has put out a statement today in which it says that it has been briefing senior members of the Opposition parties.

Mr Court: We all know it has been briefing senior Labor members.

Mr PEARCE: If the Deputy Leader of the Opposition wants to say that is not true, that is fine; but every member of the Press knows that that statement has been made by Bond Corporation today. If what the Deputy Leader of the Opposition is saying is that Bond Corporation is not telling the truth with regard to that matter, perhaps he had better start putting out his own Press releases on this issue; because the fact is that yesterday it was all denial. Today the fabric of that denial is breaking up everywhere. The reason members opposite have sought to come into the Parliament with a motion of this kind is that they need to try to get themselves back on the front foot after their poor performances and disappointing outcome of yesterday. The only way they can do that is to go on the attack because their own defence is crumbling. Nothing could demonstrate that more clearly than the opening gambit of the Leader of the Opposition, which was to try to manufacture a challenge to the Premier from the Deputy Premier by quoting from a fax - and I saw the piece of paper. It was carefully mutilated so that we could not call for the tabling of it. It was the one paragraph he wanted to read out. He would not say who it came from. The uncharitable members on the Government side thought he or one of his staff had just made it up. People like me are more broad-minded and are prepared to believe that he got it from some lunatic, like Paddy O'Brien, who might well think up that kind of theory for himself. Clearly it was not from anybody credible, otherwise he would have named them in the Parliament.

It is a bit strange for somebody to come forward in the Parliament; make an allegation of that kind; read from a document and not say where he got it from, who signed it or who sent it; not offer a skerrick of evidence; and then move to a claim that the Government should have an election because it refuses to produce evidence in support of its claims. The hypocrisy is staggering, but the staggering contrast was that an hour or two later, in came the evidence. And was not the Opposition quiet when the evidence was read to the Parliament - as the "7.30 Report" noted. I noted it in an even more stark and dramatic way at the time it occurred. When Mr Turnbull's letter was read to the Parliament, did not members opposite turn white? The Australian Nationalist Movement would have been proud of them - they were the whitest faces this Parliament has seen in many a long day.

The fact is that the Premier has been able to substantiate the comments he has made. Now the pressure is on the Opposition to return the compliment and to demonstrate that some of the claims it has been making have some substance to them.

It has been a poor start to the session for the Opposition. In two successive days members opposite have suffered outstanding reversals, and the poor performance of the Leader of the Opposition has been marked by many people on both sides of the House. One has noted in passing, I suppose, the performance of the National Party. It has been, as it mostly is, somewhat better than that of the Liberal section of the Opposition but still a bit shamefaced because National Party members are not able to get away from the ineptitude in their own party which led to the petrochemical plant Bill's being defeated in the first place. If that Bill had not been defeated we would not be having these kinds of debates because we would have a petrochemical plant under establishment in this State right now.

Mr Cowan: That does nothing to explain how you got into this project and it does not tell us how much money you expended to get into the project, nor how much money you are likely to have to commit before you put something down at Kwinana.

Mr PEARCE: I have a great deal of respect for the Leader of the National Party - I do not hesitate to say that; but at the same time he must be a little shamefaced -

Mr Cowan: No, I am not.

Mr PEARCE: - at the thought that he personally voted for the petrochemical Bill in this House, as did all his colleagues, and then suffered a reversal when his upper House colleagues voted the other way.

Mr Cowan: Don't forget one thing. Between the time the Bill went through this House and the time it was finally put to the other House, an NCSC report was published. Don't you think that might have made some difference? Of course it did. So I have absolutely no shame at all. You do not need to worry about my feelings, so just put your fears to rest there.

Mr PEARCE: The difference between the Leader of the National Party and many other people on that side of the House - and I include the Deputy Leader of the National Party - is that their conscience is there, hidden away though it may be. In the small hours of the night probably twinges worry them on these matters.

The Premier has the absolute confidence of every person on this side of the House. He has the confidence of every frontbencher, every Minister, and every backbencher. The steps which the Government has taken to get a petrochemical plant in this State have been taken for the good of the people of Western Australia. If we had been the kind of unscrupulous dirty deal-makers that the member for Cottesloe and others have alleged, we would not be here today and yesterday saying the sorts of things we are saying. We would have made a dirty deal with Bond Corporation in order to buy its silence with taxpayers' money. We have not done that. We have taken the reverse view. When we believed that improper things were being done and said, beyond the pale in terms of political morality, we have taken the proper course of reporting that to the Parliament. Of course, we are unhappy that as a result of a range of circumstances following the defeat of the petrochemical Bill the plant has not yet been established in Western Australia. We are confident that in the fullness of time a plant will be established and that the efforts made by the Government will flower in that regard.

We do not doubt that the business of Bond Corporation, which is exercising the minds of many people in Western Australia and outside our boundaries, will in many ways be a four day wonder. But it marks the position clearly to anybody who does business in Western Australia that we have here a Government and a Premier which cannot be corrupted, threatened or intimidated. If people did not clearly understand those ground rules before they will understand them now. The majority of members in this House have complete confidence in the Premier. The Government will not support the motion.

MR CLARKO (Marmion) (9.23 pm): The formal beginning of trial by Parliament of the Dowding Government began yesterday. The trial has been brought about by the Government's mismanagement of the Western Australian economy. Certainly the Premier is on trial because he is at the centre of the act of misleading the people of Western Australia. Yesterday the Premier was at his best - or his worst - in that regard. The chickens have come home to roost today. The front page of the *Daily News* over the last couple of days indicates that the media realise the situation and portray the feelings held within Western Australia. The newspapers are holding the Premier up to ridicule as witnessed in a recent cartoon in relation to daylight saving. The Premier and the Government are trying to evade the principal issue which is the gross mismanagement of the finances of Western Australia.

The Government is a sick Government. As the Premier began his speech yesterday he said that he had been sick in bed for the previous two days. Then the Deputy Premier rose a short while later and said that he had just left his sick bed. I suggest the Government has never been sicker. In a historical sense we have never before had a Government where the Premier and Deputy Premier have spent several days in bed sick before coming to this Parliament. I wonder why they were sick? The Premier and the Deputy Premier were sick because they were worried. The Premier did not have ordinary influenza. He was sick and he was worried; he had scared influenza. He was sick for two days before he came to face Parliament. The report of the Burt Commission on Accountability talks about how the resolution of problems relating to the finances of this State should be dealt with in Parliament. That is why the Premier was sick in bed for two days; he was sick at the thought of going on trial over what he had done for Western Australia.

Similarly, we had the Deputy Premier stand in Parliament and state that no Government guarantee was given. He repeated that many times. Now, of course, we find that Government guarantees were given; so he was sick. He had the same scared sickness as the Premier.

As I arrived at Parliament House at two o'clock today, on approaching the south entrance I saw what I thought was a demonstration. People were crowding around blocking the entrance. As I came closer, I saw television cameras and journalists. It reminded me of when Laurie Connell left Australia on Monday and the journalists and cameramen ran through the terminal knocking people over as they tried to get a shot of Laurie as he left. I was seeing the same thing today as I saw on television recently when the Premier of Queensland was about to be dethroned. The media was doing the same today; I have seen this before.

Mr Shave: Are you saying the Premier is going to Ireland?

Mr CLARKO: That is not fair to the Irish people. The member for Riverton was walking with me, and as we reached the door we saw the crowd of journalists and cameramen around a scared, dark face with eyes flashing - the Premier of Western Australia under attack. He was trying his bold, arrogant style, but he did not look too bold. Steven Loxley is about three foot six inches but he looked about seven foot eight inches. He could have played for the State basketball team. Mr Dowding was cringing as he tried to bluster his way out of it. The papers tomorrow will be full of it. Not only the local papers but also the national newspapers will talk about the tremendous financial bungling, ineptitude and dishonesty of the Premier. Television programs probably featured the incident tonight just as at the beginning the situation in Queensland was featured. Today the credibility of the Government is on trial.

The Government and Premier are about to crumble. They are sick. They have good reasons for being sick. If members recall what happened yesterday they may think of a country repertory club. In some country towns people are asked by clubs to play a certain role, such as a little old lady. If a repertory club wanted someone arrogant, bumptious and mendacious - he is here. The Premier could play the part. Death of a salesman! The Premier got up yesterday, shifting the blame. "Not I, Sir". Remember the radio program with Greenbottle? He appeared here yesterday saying, "No, it was Bond. Bond did it. These people threatened us." Then, "They told us they were doing deals with the Liberal Party, with senior Liberals."

What is a senior Liberal? Is he a bloke who is 85 years of age? Is he someone who voted Liberal at the last election? If he was, he would not be hard to find because there were 0.3 per cent more people voting Liberal than Labor. What did the Government finally come up with? It came up with Sir Charles Court being the person doing these deals. According to the Government Sir Charles Court was going to get my colleagues in the Legislative Council to block Supply. Sir Charles Court was the Leader of the Opposition during the Tonkin era and in 1972 he decided it would be a good thing if his colleagues in the upper House blocked Supply.

Mr MacKinnon: Is this when he was actually in Parliament?

Mr CLARKO: It was, and he was not successful. The Liberal Party in the Legislative Council, which is a House of Review, decided not to take that course of action and it did not happen. Sir Charles Court, who was the Leader of the Liberal Parliamentary Party could not do that in 1972 and now, seven years after he has retired from politics, and he does not hold a position in the Liberal Party other than that of an honorary life member - no doubt he pays his fees - this charlatan, this "Greenbottle", this "Death of a Salesman", this Premier has said that Sir Charles Court is the senior Liberal who is making deals to block Supply. What absolute nonsense! Anyone in Western Australia who knows anything about politics knows that Sir Charles Court could not do that when he was in this Parliament and he certainly could not do it now. Peter Jones, a former member of the Liberal Party, now the President of the State Liberal Party, could not make that statement. Hon George Cash is the only person who could make that statement and that would be only after a meeting of the Liberal Party members in the Legislative Council.

Mr Blaikie: He could do it only with the support of the National Party members.

Mr CLARKO: That is correct. Currently there are 35 members in the upper House and 18 members would be required to vote in favour of blocking Supply. The Liberal Party has

15 members in that House and the National Party has three members. It has been implied that somehow or other members of the National Party are involved in this deal. The whole thing is false - it is a sham. It is dishonest of the Premier to make such an accusation. Why is he doing it? He is disturbed. He knows the truth of the matter and it put him to bed for a couple of days. The same happened to the Deputy Premier.

The Premier made front page news in this morning's paper and also in this afternoon's paper. He will continue to make front page news until he sees the light and says he will step down. My colleague says he will go to Ireland, but that is not fair to the Irish. I think steps could be taken to send him to downtown Beirut. We could set up an office like that which was set up for Premier Joh.

The article in this morning's *The West Australian* said -

Mr Dowding said Bond executives repeatedly told him the Liberals were prepared to reach a commercial arrangement which would be commercially satisfactory to Bond.

Of course, on that same page Mr Peter Beckwith, the Managing Director of Bond Corporation said -

We absolutely refute the Premier's statements implying that we have had any discussions, or said we had any discussions with the Opposition in relation to Supply.

On the other hand, Sir Charles Court has drawn attention to the fact that what has been forcefully said about him has been forcefully said about the Bond Group. He said he did not plot with them and they did not plot with him.

We now have sitting opposite an ex debater who is the only Minister representing the unable Government frontbench. When the Labor Cabinet was put together the IQ and age of Cabinet members was lowered. However, the ex debater is in this House and he had the cheek to say that the Premier was correct when he said that deals were made with Bond Corporation to block Supply because Sir Charles Court may have met with someone from Bond Corporation. It has nothing to do with the critical point that Bond Corporation had a deal to get the Liberals to block Supply. As my colleague the member for Vasse said, Supply cannot be blocked unless both the National Party and Liberal Party members agree to do so.

In the same newspaper article to which I have referred it was stated -

He said -

That is, the Premier -

- Mr Bond and the Bond Corporation claimed to have arranged with the Liberal Party to block Supply unless Bond's demands were met.

The Premier did not substantiate in any way the allegations made about the deals between Bond and senior members of the Liberal Party. It is a sick Government and it is a Government which is in office by gross accident. It is the only Government of Western Australia which has sat on the Government benches when it did not obtain the majority vote. It is a shame that the people who voted for the Opposition parties at the last election are not given another opportunity to test this Government.

I know that people whinge about the 1975 affair in which the Governor General did the right thing according to the Constitution. The Governor General did the correct thing constitutionally and Labor Party members tried to destroy that man by saying, among other things, that he had drunk too much at the Melbourne Cup. The Governor General did the correct thing constitutionally and in terms of politics in Australia, because in the election that followed the Liberal Party gained the biggest mandate ever gained by any party in Australia's political history.

We have a Government which is damaging the Treasury of Western Australia. Taxpayers are being required to pay additional taxes which are not fair in these hard economic times. The economic problems have been caused by a fellow now being called "Paul Cheating" - the man who created the banana republic of Australia. Recently I spoke to a local businessman who said it was very difficult for Western Australia to borrow money from the Eastern States. People in the Eastern States tend to think that we in Western Australia have all been involved in these developments and that we are nothing but hillbillies. The

credibility of every businessman in Western Australia has been destroyed by this cowboy Government. WA Inc lends itself to blackening the economy of Western Australia.

Only one positive thing has come out of this affair. Those people engaged in office partitioning would have made an application for the Premier to become the patron saint of office partitions. Ever since Leon Musca heard the banging on the desk and what the Premier said the thickness of partitions would have been doubled in every major office in Perth.

It is a great pity because not so long ago this State was regarded by the rest of the world as a place of great excitement in terms of the development of its economy. Sir Charles Court had his photograph on the front page of *Time* magazine. The story accompanying the photograph described how Sir Charles Court, the then Premier of Western Australia, which was a small State in terms of population, had ended, together with the help of others, the era of the Cinderella State and it was now on the move. If the photograph of the current Premier appeared on the front page of that magazine it would be there as a sign of disaster because somebody in New York decided that this was one of the worst fiascos in which any Government in the Western world had been involved.

How far has this State dropped as a result of that? Only a few years ago the people in the Eastern States laughed at and ridiculed Queensland. Now they laugh at and ridicule Queensland and Western Australia. That is a shame. The Premier and his Ministers collectively have been responsible for the greatest financial disaster this State has ever experienced. I am not sure of the total amount lost, but we know that \$250 million has gone down the gurgler. The *Daily News* reports tonight that the Government has lost \$175 million on the blue sky project, and another \$70 million has been spent. In that \$400 million deal \$225 million was spent on nothing. At the time, the original petrochemical partners had an option on land that was worth a few million dollars, and \$400 million was paid for the project. Of course, we all know that it was not payment for the project but was put up to solve the Rothwells problem and to get the Government out of the \$150 million guarantee. The Government then paid a further \$175 million. What business management! I would not ask Government members to buy me a shirt in Bali; they would go broke selling shirts in a Denpasar bar.

The Government has lost direction as well as a lot of money. Therefore, it is quite pertinent that the Premier of this State represents the seat of Maylands. This State used to be called Western Australia, but now because the Government may do this or may do that, it should not be called Western Australia, or Hisperia as Governor Stirling wanted, but should be called Maylands. When the Premier goes home to bed tonight he will not think about whether a new project can be introduced, new schools built, or water piped from the Ord Dam, he will try to think of an excuse or lame duck argument that he can produce tomorrow to defend the Government against the attacks coming not just from the Opposition but from every sector of the Australian community. It is a great shame that this State has become "Maylands" because a few years ago when it was in the hands of the Liberal Government, with the support of its coalition partners, it had a great future. It was a vast oasis rich in agriculture and mining with skilled people - the Better Schools report is affecting that area also. This State was featured on the front page of *Time* magazine in the 1960s. It was still successful in the 1970s and early 1980s. It is now a disaster. It has no credibility and all around Australia journalists are looking for a story on what went wrong. This State went wrong because of the people who hold influential positions. Since 1983 this Government has spurned public servants and treated those who have done such a marvellous job over the years with contempt. It deducted 10 per cent from the pay of higher income earners, but allowed people with special circumstances to apply for reallocation of that 10 per cent deduction. I could name a prominent Labor man who was successful in such an application. I will tell Government members about him later on; he was one of their cronies.

People who used to sell race guides and tipping books outside Gloucester Park suddenly became the most highly paid civil servants in Western Australia. Their only skill was their ability to sell tipster magazines at the entrance of Gloucester Park. They became the heads of various key sectors of Government departments, including the Premier's department. One of those fellows is facing a very serious charge and could be given a gaol sentence. Those are the sorts of people in key Government positions in this State under the Labor Government. Tony Lloyd from the City of Stirling -

Point of Order

Mr PETER DOWDING: I think it is objectionable for the member to talk about somebody who is facing serious criminal charges by making reference to the potential outcome of those charges. Whatever the rules of sub judice are, this House has by long practice respected the position of people who face prosecution. With his trivialisation of these issues the member does not do either himself or his party any good. But, more importantly, I submit that it breaches the forms of the House because it is referring specifically to matters which (a) might go to the credit of the person and that might influence the outcome of the trial; (b) it might well go to matters relating to penalty and that surely is not a matter for Parliament to speculate upon; and, (c) it gives an opportunity for people to make reference to matters which might properly be before a jury.

The SPEAKER: I am faced with some difficulty because although I was listening closely to the member's comments, my attention was momentarily distracted. Only a few words could have been spoken while I was distracted, and until that time I did not consider that the sub judice rule had been transgressed. However, as the matter has been raised and as the member concerned has considerable experience in this place, I leave it to his judgment for the moment. If when he continues I feel that he is transgressing, I will take the necessary steps.

Debate Resumed

Mr CLARKO: Thank you, Mr Speaker, and I will not refer to those persons again. It is intriguing that last night the Premier was prepared to slander Sir Charles Court. It is okay for him to slander Sir Charles Court but if anyone comments on one of his friends -

Withdrawal of Remark

Mr PETER DOWDING: I ask for the withdrawal of the suggestion and implication that my point of order was based on matters other than observing the forms of the House. My objection was that the point of order was not taken because somebody was a friend of mine, but was taken because the comment offended the sub judice rule.

Mr BLAIKIE: The Premier has asked for the suggestion to be withdrawn. With deference, I submit that a member cannot be asked to withdraw a suggestion, he can only be asked to withdraw words. The point of order has no relevance at all.

The SPEAKER: I am inclined to be swayed by the argument of the member for Vasse. In favour of the point raised by the Premier, the message he wished to convey has been conveyed.

Debate Resumed

Mr CLARKO: I find that galling after the unqualified and unjustified attack on Sir Charles Court in a specific way in the Premier's speech, and he does it all the time by way of interjections. One would think Sir Charles Court were the King of England by the way the Premier speaks of him. It is proof of how outstanding he was and how good was his Government. By contrast this Government has second raters attached to it.

Mr Blaikie: Third raters.

Mr CLARKO: Someone will say next they are fourth raters, and I will never finish.

I respect Ron Barry as a clever journalist and he certainly played an important part in the election of the Burke Government. He demonstrated great skill in the years before 1983. The other day an interview was held with a person representing either the Perth Mint or the Gold Corporation, and Ron Barry was the spokesman. Mike Naylor is also associated with the Government and no doubt receiving a handsome fee, but I do not know what those people know about gold.

I believe that if someone goes to the Perth Mint today to buy an ounce of gold he should bite it before he walks out; he would be shrewd to do that. We know of the other deals done by this Government with regard to the abattoirs, and there is a big stink about that now. We know that land was given away to a friend of the Government's at a ridiculously low price. I believe we will hear more about that matter in the future as we look again at how millions of dollars have been given to friends of this Government over the years. This Premier was part of a previous Cabinet and has a collective responsibility for these happenings.

We know that the Government has done this funny deal on the old Swan Brewery. Now it has its friends, the land rights people, out there jumping up and down, and doing the same thing at Rottmest. The old Swan Brewery will be a place for Aboriginal artefacts from the Northern Territory. For heaven's sake, if we are to have a museum for Aboriginal artefacts then please get Western Australian ones and put them on that site.

Point of Order

Dr ALEXANDER: While the excursion by the member for Marnion into the Swan Brewery may be interesting, I submit that it is not relevant to the motion before the Chair. I do not find any mention of the Swan Brewery in the motion.

The SPEAKER: I tend to agree. I am having difficulty in determining how the member will relate that to the motion before the Chair, but I have no doubt that he is capable of doing that fairly soon.

Debate Resumed

Mr CLARKO: I am trying to develop a scenario. I have pages of notes that I decided not to hold in my hand because of the weight of the other monumental bungling that has gone on. The Premier is a former Minister for Planning. I do not know how closely he was involved with Observation City. The Cabinet of which he was part and one of the Ministers used to say that it supported the approach that buildings should be no higher than three storeys at Scarborough beach front. Those Ministers then approved a 20 storey building. When that was done they again said they did not approve buildings over three storeys. They did that then for the Bond Corporation. The Government has now fallen out with the Bond Corporation and the Premier has made his comments here in coward's castle about what the Bond Corporation has done.

The SPEAKER: Order! It is true to say that those words were used during the debate yesterday. It does not make them any the less irreverent or improper. I do not think that we should refer to this place in that way and though I will not ask for a withdrawal on this occasion I caution members not to use those words again to describe this place.

Mr CLARKO: Thank you, Mr Speaker. I come to my concluding remarks, which I know will cause loud cheers to break out. This Government was elected on a slogan, "A future you can believe in." *The West Australian* of 28 August contained the following words -

Since then his time as Premier has been almost unbelievable.

"A future you can believe in"; that is really incredible.

I have been an observer of politics for 30 or 40 years and cannot remember when our local prime newspaper, *The West Australian* - and I do not want to take anything away from the other newspapers, which are excellent - has ever printed anything like that before. I particularly enjoyed the *Daily News* tonight. One of my colleagues said to me, "There is a tremendous heading in the *Daily News* tonight that you will enjoy." This heading contains the words "draws last blood". I reckon that, at the present moment, we are withdrawing the last blood of the Premier and this Government. This story should be on the front page - instead of a story about bringing in the police with regard to the Premier's allegations.

How often during the history of this State have Western Australians seen headlines saying that the Premier could not be believed and that his whole Government was unbelievable? This indicates that the person who wrote that article - and no doubt the people of Western Australia share this view - thinks that the Government cannot be trusted and that nobody believes it. This is a very sick Government. At present the Deputy Premier is in bed with nerves. The Leader of the House is here, but the other members who are not here probably have the same "scared flu".

We do not know where this Government is going. It is in little Maylands. It is a Government that nobody can believe in. The Premier and his Government have failed to have a provisional liquidator of Petrochemical Industries Ltd appointed by the Supreme Court. That is one of the Premier's ruses that has failed. He now seeks to have the petrochemical company wound up. I believe that case commences on 20 September, so there are only a few days to go. That will keep things stirred up. The Premier's "scared flu" will continue.

We know that \$175 million has been done on the petrochemical deal. It has been done stone cold on what I will call grey skies instead of blue skies. There is \$70 million attached in various other expenses. That is a total of \$250 million. I understand that if the Bond Government - well, nearly the Bond Government over the past few years - the Bond Corporation is successful the Government's losses could be up to \$500 million and we are already up to \$600 million. Has this Government lost a billion dollars in the past year or two? I think many people in Western Australia think it has done that. It has done that through incompetence, for certain. We know that has happened through incompetence, but is it due also to the Government's deals which were quite improper? Is it a question of impropriety as well as a complete lack of ability? Is that what we will eventually find written on the pages of our papers in a matter of months?

I believe the attempt by the Premier yesterday to hog the whole day with his statement and then that pathetic and weak motion created a situation where this dying Government, which has been based on cronyism and inefficiency - and some question whether there has also been an element of gross impropriety as well - will have to face up to various legal actions against it in a totally unprecedented way. Never before in the history of Western Australia has there been a situation where a Government has been seen to be so incompetent and involved in so many grubby deals. Finally, it has been turned on by everybody.

MR MacKINNON (Jandakot - Leader of the Opposition) [9.57 pm]: I will begin my summing up of this debate by referring to the contribution made by a man whom I have long admired in this Parliament for his eloquence and cutting remarks; that is, the Leader of the House. It was interesting to note his performance over the past two days. The Leader of the House is a man who does not have the zest he once had for the job. He is a man who in his speech tonight made absolutely no contribution; in fact, it was a non-event. I think that sums up the attitude of almost all Government members whom I have noticed in here over the past two days, people who are really dejected and who have lost their zest for their job and who are down in the dumps about this Government's performance and the Premier's performance at this time. There is no doubt whatsoever that the Government's research shows, just as the Opposition's research shows, why both the Prime Minister and Premier Bannon in South Australia, who are up for election in the near future, have contacted the Premier's office in recent times.

In South Australia they are very concerned at the damage Premier Dowding is doing to the re-election prospects of Premier Bannon, and Prime Minister Hawke is concerned, because his research shows that not only is Kim Beazley in difficulty, but so is almost every other Federal member in this State. The Government's research reveals that, and our research reveals exactly the same. That is why the Leader of the House has lost his zest for the job.

Let me turn to the Premier and his contribution to this debate. He began by reading out a letter from Whitlam Turnbull on which I shall conclude my remarks. He went on in his usual fashion to attempt to totally mislead the Parliament of Western Australia. The Opposition has been waiting for months for this debate. We come into the Parliament, and the Premier says the Opposition has wasted all its time. Instead of debating the real issues, the Opposition has wasted time debating this motion, implying that it was our motion. I remind members who it was who moved for the suspension of Standing Orders, and who moved the motion we debated for most of yesterday. It was the Premier of Western Australia; it was not the Opposition. Who was it today who agreed to the debate? It was the Government of Western Australia. Yet the Premier comes in here at the outset criticising how the allocation of time was made in this Parliament when he allocated all of it yesterday and agreed to the manner of its allocation today. He did not oppose it or object to it.

That is the first area. He gave a clear indication of the style of the Premier we have come to know as the most dishonest, devious Premier that this State has ever seen. He went on to say, in relation to the first two days of Parliament, that nothing new had been disclosed in two days. Let me remind the Premier, who obviously has a very short memory indeed, that in those two days we have had absolute, positive proof, out of his own mouth and the documents tabled in this Parliament, that guarantees were in fact in place in respect of the petrochemical project, as we have said all along. The guarantees were positively identified and proved as being in place. This was brand new, and it is encapsulated in our motion tonight.

Turning to the Burt Commission on Accountability, the Government misled this Parliament when bringing to it earlier this year the accountability legislation. This has been proved positively already not only in terms of the Government's petition in the court, but also by the Government's own revelations in the documents tabled in this Parliament yesterday.

Thirdly, dollar by dollar, the amount of money the State Government Insurance Commission funnelled through Spedleys into Rothwells has come to light - an arrangement previously denied by the Premier of Western Australia, as recorded in *Hansard*.

Finally, nothing new: We have the Premier's allegations yesterday, reinforced today in the Whitlam Turnbull letter - allegations designed, as the motion indicates, to do nothing more or less than divert attention from the central issues that this Parliament will debate, wants to debate, and will make some further revelations upon over the ensuing weeks.

Nothing new? Plenty new! Almost everything new that has been revealed in the last two days has been of great discredit to the Parliament of Western Australia because of the way the Premier has misled this Parliament and abused the Parliament in that process.

Let us look at the claims he has made in response to the motion itself. He started by repeating that oft-repeated untruth, "I decided to bite the bullet and withdraw from Rothwells." How often have we heard the Premier say that? "I made the decision to withdraw from Rothwells. It was a tough decision, but I gritted my teeth and I made it."

Mr Lewis: "I wasn't a wimp, I did it."

Mr MacKINNON: That is right. What are the facts about that? The Premier had late night meetings, he kicked the desk, abused people, and then sat down with people from Bond Corporation and put together a \$75 million rescue package. For one reason or another that has still not been fully explained, that deal fell over on that Friday. So what did the Premier do? He spent the rest of the weekend putting together a \$150 million rescue package.

Why did the Government's further attempts to rescue Bond fall over? It was not because the Premier pulled out; not because the Premier said, "I am going to be tough, I am going to stop it." Do members know why? It was because Bond Corporation pulled the pin. At the end of the day it was not prepared to fund the rescue. It was not because Premier Dowding pulled the pin or made the decision to conclude; it was because Bond Corporation said, "We have had enough." That is the truth, and the Premier stands here in the Parliament repeating that untruth over and over again. Self praise is no praise; we all know that. The only person in Western Australia whom I have heard praising the Premier in that regard is himself.

He then went on to make extraordinary claims. I think he is really feeling the pressure, looking at the way he has carried on tonight. I met some people in the gallery this evening, and they said they did not think the Premier was very well; they thought he must be feeling the pressure, or getting the flu, the way he was carrying on. He was almost uncontrollable when replying to questions from the member for Cottesloe. The member for Cottesloe properly cited a reference, and the Premier almost lost his cool trying to respond. He talked about the Commission on Accountability. As he said on "The 7.30 Report", "Alan, you have to understand all this is very complex." With respect to the Commission on Accountability he said, "It is a very subtle document." So subtle, the Premier has missed the point! So subtle he could not even understand plain English! He quoted from page 35 of this report tonight. He said, "I support all the recommendations in this report." What did he quote from? He did not quote the recommendations. He could not even tell the truth in relation to that report. He did not quote the recommendation which I shall quote in a moment; he quoted from the text of the report.

What does the recommendation say? It says -

The Commission recommends that, as a general rule, only to be departed from with the approval of Parliament, no government agency be permitted to conduct operations in a manner or to enter into any agreement which contains a provision which would prohibit that agency or the responsible Minister from providing to Parliament information as to its operations or the contents of that agreement in such a manner and to the extent that the Minister thinks fit.

Mr Peter Dowding: The important part is, "... that the Minister thinks fit."

Mr MacKINNON: The key, operative words in that sentence are, "... only to be departed from with the approval of Parliament". The Premier cannot even read English. It is a very

subtle document indeed. Within four days of this report the Premier went out and signed those documents with respect to the guarantees which were not guarantees. Those are the documents which talk about guarantees, but it is not really a guarantee. What does the Premier do on the 26th? He secretly signs that document with a secrecy clause and he does not tell anybody about it. The Premier then had the temerity to come to this Parliament and say, when we asked questions about the payments to John Horgan, which were made from taxpayers' funds -

Mr Hassell: That it was commercially confidential!

Mr MacKINNON: Yes. The Premier did not have the approval of Parliament for the expenditure of those funds. The Premier is prepared to see the people of Western Australia suffer every single day. The member for Applecross was on the end of the telephone when we conducted our housing hotline, and he listened to people talking about having to sell their furniture in order to buy food for their children. Yet this Premier paid one man, with taxpayers' funds, more than what many of these people would earn during their entire lifetime; and he will not tell the Parliament about it! The Burt Commission said that is not tenable; it is not consistent with accountability. The Premier has the temerity to stand over there and say this is a very subtle document; but verbal gymnastics will not help the Premier to get off the hook, as the member for Kingsley has so often said.

The Premier went on to address that part of the motion which says, "by deliberate and calculated falsehoods told to Parliament and the public concerning the Rothwells petrochemical project and the vast obligations secretly undertaken, but denied or not disclosed as it was the Premier's obligation to do so." All that the Premier indicated in relation to that matter was that he had offered the Opposition the opportunity for confidential briefings. The Premier then said - and he does this every other day of the week - that I could come down and have a look at commercially confidential documents. I could not tell anybody about them; I could not discuss them with anybody; I could not tell the public - whose money it was, and for whom I was the custodian, having some responsibility - about anything; yet I could come down to look at the documents, as though that is some commitment by the Premier to accountability. That is a commitment to nothing! If I were to take up that offer, I would be insulting this Parliament, just as the Premier does, because it is the Parliament to which the Premier is accountable, and it is the public of Western Australia who are entitled to that information.

The Premier has said that we can be briefed confidentially, because it is all part of a super deal, but we cannot let the people know, as if letting the public of Western Australia know that the Government had signed a guarantee on 26 January would have jeopardised the commercial deal that was being put together! That has not been put forward in any of the publications of the Premier as the reason this project collapsed. It would not have affected it. It would, however, have affected the re-election prospects of the Premier. I will not have any part of confidential dealings; I never have and I never will, and if I were I would be failing in my responsibility to this Parliament and to the people who elected me to this place.

The Premier did not respond to the new and serious allegations which we have levelled about the Spedleys guarantees and other matters. His only comment - in his typical arrogant, supercilious way - was that there is no case to answer. He did not answer it at all. The Premier then went on to comment briefly, and in a most unsatisfactory way, about that part of the motion which talks about, "with a continuing and wilful course of conduct in relation to the petrochemical project involving obligations, the Premier himself in a post-election situation now acknowledges to be onerous and oppressive". The words "onerous" and "oppressive" have been taken from one of the Premier's comments as reported in *The Australian*.

Let us look at why the Premier now makes those comments. It is interesting to examine what has led the Government into conflict with Bond Corporation. The Government went into the petrochemical project in the first place - as we all know - because of the Rothwells collapse. The Government had to rescue this organisation from collapse because that would have jeopardised very significantly the re-election prospects of the Premier and his Government. The petrochemical deal was put together in a shroud of secrecy, with guarantees underpinning it, and with changes being made to it, right up to the date of the election. There can be no doubt that pressure was placed on the Government during that time, because Bond Corporation knew full well that with an election just around the corner, they were in a strong

commercial position; and the Premier succumbed to that pressure on 26 January when he altered the agreements to put in place the cash deficiency deeds, and the like, which improved markedly the position of Bond Corporation, and which downgraded significantly the position of the Government of Western Australia.

The Premier found out after the election that he had not done such a good deal, and that, as the member for Cottesloe indicated, he had really been stitched up in the process. The election was out of the way and the Premier had a budgetary problem. Bond Corporation was also in difficulty, and both Bond and the Government wanted to renegotiate. However, the Government and Bond were now in a very different position from that which they were in a few months previously, and they entered into a process of renegotiation which did not take into account the interests of Western Australia but which looked after the self and vested interests of each of the players. That is why the Premier now acknowledges that those conditions were onerous and oppressive, and why the taxpayers of this State are left holding the can and paying even today, as they will tomorrow and the next day, for expenses in relation to this project. This is happening while people in this State are being forced to sell their furniture in order to buy food for their children.

My final comment relates to the Whitlam Turnbull letter. There is nothing in that letter which is in any way new; it was all indicated by the Premier in his speech last night. All the comments contained in the Whitlam Turnbull correspondence which relate to the Liberal Party, and particularly to Sir Charles Court, are hearsay, and not one item can be substantiated or proven by the letter which has been tabled. However, the letter does very interestingly - in the words of a Queen's Counsel - make very serious allegations about the conduct of a major corporation in its dealings with the Government of Western Australia.

But the Premier indicates that he will take no action whatsoever, despite the fact that the opinion he has received from the Solicitor General indicates that there is some doubt as to what the situation could be in the interpretation of the law in that regard, and in fact there is quite some doubt as to whether or not a prosecution would succeed.

If the Premier was not interested in grandstanding in this Parliament and really was concerned about the actions taken by Bond Corporation, surely the very least he would do - because of the threat and the seriousness of the claims he made - is to pursue those people through all of the avenues available to him. But no, he has not done that. As I have said before, it has been left to the Opposition to pursue that matter through the Official Corruption Commission, which is what we will do.

This Premier will not act. He is prepared to stand up in the Parliament and make the most extraordinary allegations without a skerrick of evidence, and to claim they are the most serious thing that has ever happened in the State's history in relation to a business versus Government negotiation, yet he is not prepared to lift a finger to pursue that matter in the public arena.

I refer to the editorial comment on the front page of the *Daily News* this evening, which reads as follows -

WA taxpayers should not be hoodwinked by Premier Dowding's latest contortions over the petrochemical deal.

If indeed the State Government was leaned on by Alan Bond's power brokers it has only itself to blame for wanting to play footsie with businessmen who are unashamedly ruthless in pursuit of profits.

Members should witness my comment and think about the position Bond was in two weeks before the election, with the Government behind in the polls. What a position to force a change of the agreement, which occurred. The *Daily News* comment continues -

And if the Government feels Bond's boardroom politics went beyond the pale it can put the matter in the hands of the law instead of grandstanding in Parliament.

But Mr Dowding is insulting the intelligence of every West Australian if he expects these amazing revelations of corporate bullying to dilute our desire to find out why \$250 million of public money went down the petro drain.

Mr Court: Where has the money gone?

Mr MacKINNON: That is the \$64 000 question.

Mr Hassell: You mean the \$640 million question.

Mr MacKINNON: Where has the money gone, and who has been responsible for its going? That is the \$64 000 question - or, as the member for Cottesloe rightly reminded me, the \$640 million question. That is what this parliamentary session is all about - the credibility of the Premier.

I conclude by using words oft repeated by the Premier and his colleagues. I will speak carefully and in simple words so that the Premier and his colleagues can easily understand them. In relation to the comments and allegations made by the Premier and the references in the Whitlam Turnbull correspondence in regard to this question of the Opposition's dealing with Bond Corporation, there have been no meetings with Bond Corporation to discuss Supply, questions of politics or political movements, in relation to Bond Corporation, or any other matter in that regard. There have not been meetings between Sir Charles Court and Bond Corporation for that purpose and Whitlam Turnbull's letter, as the member for Collie so adequately pointed out during question time today, proves the point that neither was Sir Charles Court involved in any such negotiation or discussion.

Mr Peter Dowding: No it doesn't.

Mr MacKINNON: The Premier's own letter from Whitlam Turnbull which he tabled proves that beyond any shadow of doubt. At no time does that letter indicate that any member of Government has witnessed or seen or has any evidence of those remarkable and untrue allegations. There has been no such meeting and there will be no such meeting.

The absolute folly, foolishness and stupidity of any person, be he Alan Bond, Peter Beckwith, or Premier Dowding, in even raising that question was pointed out best of all by the member for Marmion when he indicated that even when Sir Charles Court was Leader of the Opposition, or a member of this Parliament - as he is not now, and he has no authority in terms of our party in negotiations or otherwise - he could not get the members of the Legislative Council to block Supply when he actually wanted them to do so.

Mr Blaikie: And he tried.

Mr MacKINNON: He publicly said so; and he tried. That shows once and for all the stupidity and foolishness - Mr Speaker, words fail me in relation to the way in which the Premier has attempted to use that information to his advantage. It is irresponsible.

The nature of this debate today has proved beyond doubt each and every one of the clauses of this motion. As an editorial in the *Sunday Times* said recently, Governments in the Western world under Westminster systems of democracy have resigned for a lot less than this Government has even admitted to doing, let alone not admitted to doing. The motion therefore most appropriately calls on the Premier to resign and to call on the Lieutenant Governor to call fresh elections. The only way this Premier can responsibly put the matter to bed once and for all is to go to the people of this State, with the people having the truth - the facts - placed before them.

The people do not have all of the facts now. We have quite a few more facts yet to reveal to the Parliament; but, given even the facts that are now apparent, I would face the people with confidence. I would put my future on the line. Given the nature of politics in this House I predict that the Premier probably will not do that tonight, but I have also indicated more than once in the last couple of days that it will not be long before the Premier will not be in this House at all.

I urge members to support the motion and I thank each of my colleagues on this side of the House who has supported it in such an able manner.

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

Ayes (23)

Mr Ainsworth
Mr Bradshaw
Mr Clarko
Mr Court
Mrs Edwardes
Mr Grayden

Mr Hassell
Mr House
Mr Kierath
Mr Lewis
Mr MacKinnon
Mr McNee

Mr Mensaros
Mr Minson
Mr Omodei
Mr Shave
Mr Strickland
Mr Thompson

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

Noes (27)

Dr Alexander	Dr Gallop	Mr Marlborough	Mr Thomas
Mrs Beggs	Mr Graham	Mr Pearce	Mr Troy
Mr Carr	Mr Grill	Mr Read	Mrs Watkins
Mr Catania	Mrs Henderson	Mr Ripper	Dr Watson
Mr Cunningham	Mr Kobelke	Mr D.L. Smith	Mr Wilson
Mr Donovan	Dr Lawrence	Mr P.J. Smith	Mrs Buchanan (Teller)
Mr Peter Dowding	Mr Leahy	Mr Taylor	

Pairs

Ayes
Mr Nicholls
Mr Trenorden

Noes
Mr Parker
Mr Bridge

Question thus negated.

ADDRESS-IN-REPLY - SEVENTH DAY

Motion

Debate resumed from 13 April.

MR CLARKO (Marmion) [10.31 pm]: It seems as though this speech is becoming a habit. I began it four months ago on 13 April and it is the longest speech I have ever given. I now have only another 19 minutes remaining and the most serious matter I want to raise tonight is once again the question of swimming pool safety.

In the speech I began in April earlier this year I explained my concerns and I called on the Government to reconsider the matter of perimeter fencing and what I believe is the need to have automatic self-closing and self-locking doors when people have perimeter fencing and not isolation fencing. The Minister will recall that earlier this year the Government showed a television advertisement which featured a young child falling into a pool at the back of his home and apparently drowning. The Minister knows that we have had serious problems in recent years with the accidental drowning of young children of particularly around two years of age in swimming pools. In my speech then I urged - as I have done before in this House - that the Government take action in this respect. The Minister for Health is aware of this problem because he made what I believe was an appropriate interjection during my speech in April to the effect that a report had come out in January and there was a three months' period when the Government sought comments from the community. Four months have passed since then and although I am not critical of the Minister for not having had the report published, perhaps by way of interjection he might indicate when it will be published?

Mr Wilson: The report has been published and the period for public comment is completed. The working party which incorporates several departments and representatives of private industry has reconvened as of this month to consider the public comment. Decisions will be made following that process.

Mr CLARKO: Does the Minister expect to have anything in place by this summer?

Mr Wilson: It would be our hope that it will be in place this summer.

Mr CLARKO: I suspect that might be difficult if the Government is going to do it by way of legislation. I would encourage the Government to do so if it can. However, I hope the Minister will give consideration as to whether the legislation might be changed before summer starts to take account of the point I make or alternatively to disprove my point. As the Minister knows the Australian swimming organisations in other parts of Australia have adopted this particular rule and I think it is critical we have it here. I am very serious about this matter.

I want to move to a second issue, which is that of the proposal to apply a building levy on all building and construction activity in Western Australia. I take it that this comes within the responsibility of the Minister for Labour. I have read that this new tax will be placed on all builders after -

Mr Troy: Tax?

Mr CLARKO: I would call it a tax; the Minister may call it a charge, a levy or anything he likes. If this comes into being the councils of Western Australia will be expected, when they collect their building licence fees, to collect a levy, which is to be put into an educational program for people in the building industry. Is that not true?

Mr Troy: Do you support that?

Mr CLARKO: No, but I want to ask the Minister some questions about it. I believe that there is no group in the Western Australian community today which is so badly hit as are the people in the midst of buying their own homes. Those people have had to put up with the highest housing interest rates this nation has ever suffered. As members know the situation in the past 12 months is that mortgage repayments have risen for people with a median loan by a sum in the order of \$100 a month. Since this Government came into office there has been a rise in the order of \$200 a month in mortgage repayments. Now this proposition will place yet another fee, tax or burden on people who are building a new home. There is no doubt about it: The builders will not pay the fee; they will pass it straight on to the people who are building new homes.

Mr Troy: What is the cost of not having skilled tradesmen?

Mr CLARKO: That is a very good question but the point I am putting forward is that the Federal Labor Government - and Paul Keating in particular - obviously must bear responsibility for the disgraceful situation that exists in respect of interest rates. However this Government has not helped because it has failed to get sufficient lots on to the market. We have reached the situation where the Leader of the House commented in this House last September that the Government was very clever because it had released 10 000 lots in the previous 12 months; that is, for 1987-88. The interesting thing is that in 1976 the Liberal Government released 14 000 lots - at a time when the population was considerably smaller than it is today.

Here we have a building levy which is to fund industry training. I understand this proposal has the support of the Trades and Labor Council, the Department of Employment and Training, the Master Builders Association and the Housing Industry Association. It does not surprise me that those organisations are supporters of this proposal because it is in their specific interests to have something of this sort in place - that is, to build up an ample work force of qualified labour for the building industry. It is not surprising that people associated with the building industry are quite happy about such a levy being applied. However, the question is whether these educational costs should be borne by householders when they build their homes. I have already pointed out how tightly these people have been squeezed over the past few years by this Government. There is already an apprenticeship scheme in place; we already have employers and TAFE combining in various ways in respect of the training of building tradesmen and others. TAFE, as members know, is largely funded by the public purse, although there is some element of user pays. I am concerned that home buyers will be subjected to this new tax. As yet I am not aware of how much it will be on an ordinary house, but perhaps the Minister could tell me.

Mr Troy: You are guessing a bit. Wait a while and we will explain in full when the legislation reaches Parliament.

Mr CLARKO: I do not support the idea that young people who are about to build a house should cop an extra charge to pay for the training of people because from time to time the building industry is short of qualified tradespeople. I put it to the Minister that if this scheme is brought in, the next time we have a boom in the housing area we will still be caught short. In this case, the Government is choosing one element of training and proposing to place a fee on young homebuyers. A strong argument can be put that this cost should be borne by taxpayers in general.

Mr Troy: You are a socialist.

Mr CLARKO: That shows the narrowness of the Minister's mind. When people pay as much as they do in taxation today we realise that the Labor Government of this country is the highest taxing Government in history. Surely some of that revenue should return to elements such as this. Never have I heard a Liberal Government promote the idea that costs for TAFE should be borne by the people who use those institutions. The present line of attack will

impact disproportionately and unfairly on young people. I understand that in addition they will have to pay a fee in proportion to the cost of their house. For example, people with up to five children who need a bigger house will cop an extra burden. There is no justice in a system based on that principle.

The Minister said we should wait until the legislation reaches the House - so that ordinary people cannot find out about it. My eldest daughter has just paid building fees to the Mandurah Shire Council. People like my daughter will cop an extra burden at the crucial time between approval of a loan and the house being built. Her loan has gone up \$50 a month. I give my daughter as an example, but these people are not in a position to cop an extra burden to help pay for the training of the work force which in every other area is carried by the taxpayer or the user.

Mr Troy: Do you think the pensioners should subsidise the home builders?

Mr CLARKO: We know what the Government is doing to the pensioners. The Minister makes the same specious argument made by his socialist friends in Canberra. They say, "If we can stop the cheats who evade taxation, other people will not have to pay as much." That is pie in the sky. The Labor Party puts up the fees and grabs an extra bonus. The Government has destroyed the credibility of this State. Paul Keating has destroyed the whole of Australia. He called this country a banana republic and that is the only decent thing he has said. I invite the Minister for Employment and Training to come out and say that as Minister he is happy to have the young homeowners pay the extra fee to help with the cost of training other people. But the Minister will not apply a fee to the training of people in other areas.

I move now to agriculture and the control of Argentine ants. This has been a matter of some concern for about 40 years. Argentine ants arrived in Australia at Fremantle on cargo such as vegetables. From Fremantle the ants infiltrated into the metropolitan area. Years ago I can remember extensive infestations of Argentine ants throughout Cottesloe, but some suburbs were worse than others. Last year the decision was made to cease the control of Argentine ants and to eliminate the part played by the Agriculture Protection Board. That occurred as a result of an unfavourable review by the Environmental Protection Authority on the use of heptachlor, and the board abandoned the project against Argentine ants. Householders were made responsible for something which previously the board had undertaken on private properties, and the council was responsible for parks and reserves. The City of Bunbury complained about the change; the Local Government Association wrote to each council, and 19 replies were received. Each answer intimated that the council would like the APB to take up control of the Argentine ant problem once again. I urge the Government to reinstate the Argentine ant program. I cannot argue the case for or against the use of heptachlor or the use of organophosphate-based rather than organochloro-based chemicals because I have not studied chemistry since the Leaving Examination.

Mr Wilson: That was a long time ago.

Mr CLARKO: I did study chemistry, but I am happy to accept the decisions of technical people.

Argentine ants are a real problem for individual householders. I remember the days when I was a boy living in Cottesloe when that area was thick with Argentine ants. My family home had Argentine ants and we took action against them. We would get rid of them and then a couple of days later they came back. I remember a friend who lived close to the beach at North Cottesloe in a high-rise block of flats where the lady of the house took similar action. Eventually the situation became so bad that the house was taken over by Argentine ants. The only place free of them was the kitchen table because its four legs stood in cans containing a chemical. The washing-up bench was riddled with Argentine ants. I can relate another experience where I witnessed a small baby being placed in a bassinet free of ants and within 15 minutes the baby was covered in ants - over its face, into its eyes, ears and mouth. The member for Marangaroo would know about that sort of situation. The public needs to be protected. The Government should step in and make sure the program is reactivated. If the Government uses different chemicals, so be it. We must take action to control Argentine ants. The Bayswater Town Clerk was reported on 4 April as saying, "We will have infestations of ants in the future because it is beyond the public to handle the problem themselves."

Amendment to Motion

Mr CLARKO: I move an amendment -

That the following words be added to the motion -

But we regret to advise Your Excellency, that as a result of decisions made by Premier Dowding, and for which he takes 'absolute responsibility', the taxpayers of Western Australia are committed to meeting the following losses incurred as a result of those decisions -

- | | | |
|-----|---|---------------|
| (1) | Original estimate of maximum Government loss by provisional liquidator. This will rise considerably should the stated security on deposits not prove sound (based on a payout of 67 cents in the \$ - liquidator now estimates payout of 60 cents in the \$) | \$ 55,000,000 |
| (2) | October 1988 payments by the Government to buy shares in Petrochemical Industries Ltd (a company with little or no real assets) to allow Mr Laurie Connell to pay the money into Rothwells to buy out bad and doubtful debts. | \$175,000,000 |
| (3) | Payment to NAB to free government of responsibility re: Rothwells guarantee (Australian - 4/5/89) | \$ 22,500,000 |
| (4) | Unrealised loss by SGIC on its holdings of Paragon shares (West Australian 13/5/89) | \$ 4,780,000 |
| (5) | Estimated minimum SGIC loss on deposits with Spedley Securities totalling \$30.5M | \$ 10,000,000 |
| (6) | Maximum amount claimed by the Deputy Premier that Government could lose out of \$120M interim finance for PICL (Sunday Times - 2/7/89) | \$ 75,000,000 |
| (7) | WA Government Holdings interest bill for \$175M borrowed to purchase PICL shares for first year (Hansard - 27/10/88 p 4476) | \$ 24,000,000 |
| (8) | Preferential payments repaid by SGIC (\$17.3M) and R & I (\$10M) of which recoupment of 60 cents in the \$ is estimated by Ferrier | \$ 10,900,000 |
| (9) | Bell Group convertible bonds: SGIC purchased \$150M worth of unlisted Bell Group convertible bonds. It was reported in "The Australian" of 16/5/88 that identical Bell Group bonds which were listed in Luxembourg were trading at around 63 cents in the \$, giving the bonds of SGIC a value of about \$95M. However, unlisted bonds usually trade at a rate of 10-15% below that of listed bonds | \$ 55,000,000 |

\$432,180,000

or \$1,000 for every Western Australian family and as a consequence will suffer a diminution in services provided by Government as a result of these losses, services that will affect every Western Australian taxpayer.

MR MacKINNON (Jandakot - Leader of the Opposition) [10.54 pm]: It is appropriate that, on the eve of the presentation of the State Budget, we are debating an amendment to the motion which relates to this Government's handling of finances. That Budget, together with the outcome of last year's figures as reported in the Budget papers, will give a clear indication to the people of Western Australia of the immediate impact of the decisions of this Government in relation to WA Incorporated and the cost the taxpayers will have to bear.

The important thing to note about this list is that every one of the losses has resulted from direct decisions made since Premier Peter Dowding has been in office. It is a remarkable achievement for a man who has been in the job for a little over 12 months to have lost not just \$432 million because as I go through the list members will see that, in reality, he has lost much more when one looks at the updated figures. The tragedy of all that is that it bears very heavily on the people of this State.

The SPEAKER: Order! I am having difficulty hearing the member. I wonder whether members to my right would leave the Chamber or move behind the Chair.

Mr MacKINNON: As I said, the impact on the family is the real tragedy. It has cost every Western Australian family \$1 000. The consequence of that is very real as my colleagues who will be supporting this motion will explain. Those members come into contact daily with services, facilities and the like in their communities that are suffering as a consequence of this Government's failures and losses in this regard.

Let me put that in another context by referring to last year's Budget papers. Nine Ministers of this Government could have had their entire budgets out of the Consolidated Revenue Fund paid for this year from the losses that this Government has incurred in the WA Inc fiasco as detailed in the amendment moved by the member for Marmion. The Ministry of the Premier and Cabinet and the Deputy Premier's departments involve an amount of only \$92 million. When one looks at that amount in the context of \$430 million there is plenty of change. Last years Budget included \$47 million for the Minister for Mines, Local Government, and Regional Development; \$85 million for the Minister for Conservation and Land Management; and the Minister for Housing, Tourism, and Racing and Gaming could have paid for her departments out of the CRF 10 times over with the losses incurred. The budget for the Minister for Water Resources totalled \$47 million, \$23 million for the Minister for Employment and Training, \$15 million for the Minister for Consumer Affairs, and Sport, and \$85 million for the Minister for Lands, and The Arts. As one reads that list, one wonders about the priorities of this Government. It should have spent all of that money on. Important issues like conservation, land management, housing, and tourism could have been paid for for a year out of the money that has been referred to in the amendment.

The losses incurred on the Rothwells affair totalled \$55 million. We have repeated tonight all of the discussions about that and put to rest, I hope, the Premier's false and misleading claim that he pulled the pin when nothing was further from the truth. He was desperately trying to save Rothwells even until its dying days. He pumped money into that organisation until its last dying moments.

An amount of \$175 million was paid to Petrochemical Industries Ltd. Again, we have talked about that. However, I received an answer to a question from the Deputy Premier today which adds significantly to that \$175 million cost. In fact, one can add to those figures that we have listed in the amendment very considerably. My question related to a payment of \$18.8 million paid out of last year's CRF. Do members know that the Government's total expenditure last year for capital works on schools was \$51 million. In one fell swoop, the Government could have paid for another one-third of extra schools. I believe that every member has a school in his electorate that could be upgraded.

Mr Nicholls: Some of us do not have a school.

Mr MacKINNON: Need I say more; that is the scandal of it.

One has only to look at the interest share from stamp duty, the interest on the debt, and the interest paid on \$75 million worth of promissory notes to fund projects and interim finance for PIL totalled \$4 million. I assure the House that there are schools in my electorate that

could do with \$4 million. I am sure that there are schools in other members' electorates that could do with even a modest part of that \$4 million. However, it was this Government's priority to save a few friends in St George's Terrace, the real cost of which we will see tomorrow.

The payment to the National Australia Bank as part of the Rothwells guarantee totalled \$22.5 million. There was an unrealised loss by the SGIC through its holdings in Paragon shares. Our notes state that that figure was about 75¢ a share. When I looked it up in *The West Australian* yesterday Paragon's shares totalled 25¢. Our estimate therefore is very conservative indeed.

Paragraph (5) of the motion refers to the loss incurred on deposits with Spedley Securities totalling \$10 million and I have already mentioned that today.

Paragraph (6) of the motion refers to the maximum amount the Deputy Premier claimed the Government could lose out of \$120 million in interim finance for Petrochemical Industries Co Ltd. He made that claim on 2 July and he obviously knew more than we knew at the time. We now know that \$75 million is now the exposure of WA Government Holdings Ltd to Petrochemical Industries Ltd. This State will not see that \$75 million again. Paragraph (7) refers to \$24 million, representing interest on the \$175 million borrowed to purchase PICL shares, which has also been lost.

Paragraph (8) of the motion refers to preferential payments repaid by the State Government Insurance Commission and the R & I Bank which have incurred a loss of \$10.9 million.

Paragraph (9) of the motion refers to Bell Group convertible bonds and the estimated loss is \$55 million. It is probably more than that if we take into consideration today's values. It is a sick and sorry tale indeed.

It is little wonder that the Government's friends disown it. It is little wonder that the Prime Minister and Premier Bannon are on the phone almost daily pleading with Premier Dowding to stop this nonsense or to get out to give them a modicum of hope of winning their respective elections.

I remind members of the comments made by Senator Button in the Senate on 16 August when he answered a question in relation to the Sarich deal. He said -

"Those who were the architects of WA Inc are not well placed to advise the Commonwealth Government about what they should do about this issue.

"The question really extends to how much governments should be involved in putting taxpayers' money into enterprises of a particular kind, picking one out in favour of another."

Senator Button is one of the most respected members of the Federal Government. There are a few members who fall in this category and he is one of them and he has indicated that this Government plays favourites. In so doing, it has lost in excess of \$430 million.

One of the Federal Ministers who is not so well respected is Mr Gerry Hand, but even he occasionally makes a sensible comment. In May this year the following article appeared in the Press -

He said Mr Dowding's constant irrational outbursts were extraordinary.

I wonder what he would have said if he had been in this Parliament today. The article continues -

"He obviously has to be noticed to need to carry on with these irrational outbursts," Mr Hand said yesterday.

"Maybe by attacking me and diverting attention to Aboriginal Affairs he thinks he can take the spotlight off the mismanagement of millions of dollars by the Government in Western Australia.

"Aboriginal programs could have done with a lot of that money.

This may ring a very familiar sound because today the Premier was diverting attention by constant irrational outbursts. He was trying to take the spotlight off mismanagement. During the last two days we have witnessed the Premier's irrational outbursts as he has tried to divert attention from the mismanagement of millions of dollars in this State - precisely what Mr Hand spoke about in May.

Mr Lewis: His Federal friends do not like him.

Mr MacKINNON: His Federal friends and his friends in Western Australia do not like him.

I again make this comment on the eve of the bringing down of the State Budget; that is, the responsibility for the State Budget rests in the hands of the Deputy Premier. He will bring it into the Parliament, but in reality it will be the Budget of Premier Dowding because the losses incurred by him, and which are encapsulated in this motion, will impact on the Budget. It will be a harsh Budget for Western Australians. It will bring home the bacon to the people in Western Australia in the form of higher taxes and charges, despite the promises made at the last election by the Premier. My prediction is that yet again he will blame the Commonwealth Government. The tragedy is that the families of this State will have to pay for the follies of the Government and I repeat again the words of Senator Button, "The question really extends to how much governments should be involved in putting taxpayers' money into enterprises of a particular kind, picking one out in favour of another." I bet this Premier wishes he had not picked one of those out in favour of the other.

I ask the House to support the amendment moved by the member for Marmion.

MR SHAVE (Melville) [11.06 pm]: I support the amendment. The reality of the situation in Western Australia today is that the taxpayers of this State have been financially raped. This issue goes back to when Rothwells was first started. Many people do not understand the significance of the amount of money which has been lost in the Rothwells' rescue.

The member for Kingsley spoke of verbal gymnastics in debates on this subject. The interesting thing is that the working class people, the people we all represent in this Parliament, know that the money has been lost. For members to sit in this Parliament and to say that the money has not been lost, that there have been no guarantees and that there have been comforts or that there have not been comforts or there have not been guarantees is a farce. What they are saying to the public is that it is irrelevant.

The Government is saying to the public of Western Australia that they are sheep, they are dopes and they do not understand what is going on. It will tell the public anything and it believes the public will cop it sweet. The public are not copping it sweet. The rot has set in and the place is starting to smell. The people do not like this place or those people running the Government of this State.

Rothwells, when it first commenced, was a high flying company and the gentleman who started it was one of the Government's closest confidantes. He was regarded as a friend of the previous Premier who has since left this State. Rothwells was badly run and money was loaned to people who had very little security.

I will give an example of one loan Rothwells made during its operation. A gentleman working for me in Kalgoorlie was a compulsive gambler and he wanted \$20 000. He met someone who worked for Rothwells at the local racetrack. This man did a good job - he lost \$250 000 in 12 months on race horses. He asked Rothwells for a loan and he put up some share certificates as security. It is very interesting when one hears about Paragon, the State Government Insurance Commission and Bell Group. However, he put his share certificates up as security and the company involved had not even been listed on the share market. The directors of Rothwells took it as security and gave him \$20 000. I had a friend who had money invested in Rothwells and I suggested to him that he take his money out of that company because they were bad business people and did not follow normal business practices. He had invested his money at the time the Government was supposedly going to back Rothwells.

He said that he did not have to worry and that he could get his money out because the Government of Western Australia was backing Rothwells. The Government gave a great deal of fanfare to the rescue, and the big 10 businessmen who got involved and supported Rothwells. I told him to get his money out, otherwise he would lose it, but he felt he could trust the Government. I saw this man in Kalgoorlie the other day and he asked what the Opposition was doing about the dishonesty of the Government. He said Government members should be in gaol and that if they ran a private company in the way they run Government they would be in gaol, just as one of the principal persons involved has been charged at the moment. I will not say whether that person will go to gaol, and that should satisfy the Premier. I asked my friend how he was and he told me he was not doing too well

and was going through a divorce. That is true of a few other people I know. He told me he had a meeting the other night with the two undertakers - that is not a reflection on my friend, the member for Kingsley, but divorce lawyers are very much like undertakers. At this meeting with the undertakers he said that he did not know how much money it would cost but he knew how much pain he would go through. The undertakers came up with figures which were not satisfactory to both parties and the discussion went on. He told them that he had only one way out of the situation; he had money in Rothwells, the company the Government was backing, and he would give up that asset. The undertaker speaking on behalf of his wife said that was a feasible proposal but his wife, who had never been involved in a commercial deal in her life, said she could not accept equity in Rothwells because the Government was involved and she might not get paid. Is that not wonderful? A person with no commercial experience will not deal with a financial institution in which the Government is involved. This Government has been running the State like a badly run company. If I were a member of this Government on the backbench I would resign. The Government backbenchers should be thoroughly ashamed of the members on the frontbench. I would not want to be remembered as being associated with a Government that has lost more taxpayers' money in the last three years than has any other Government in the last 30 years. This Government has been totally negligent in its management of the affairs of this State.

Mr Thompson: If you sat on that side of the House, you would not do that; on this side of the House you can.

Mr SHAVE: I take the point made by the member for Darling Range. Fortunately, in recent times Hon Eric Charlton perceived what was happening with the losses and helped the current Government by attempting to stop the rot and the waste of money. A guarantee is a level of comfort; I have heard that if one gets a level of comfort, one gets a guarantee. Government guarantees are usually worth something, but if anybody gets involved with a guarantee in Western Australia, they have a problem because this Government walks away from its guarantees. The Premier has said that the Government will not have a problem if Mr Alan Bond sues it because he has received good advice. He is a lawyer and it is his view and that of his lawyers that the Government will not lose any money. That is very reassuring to me as a taxpayer. The other day those same lawyers went into court and were rolled by Mr Bond. They obviously thought they would win on that day but they did not. Out of the blue the Premier has said that a writ may be issued for a couple of hundred million dollars. What is a few million dollars? It is only paper and it belongs to the mugs in the community. The Premier has indicated that he will do what he wants and it is too bad for the people who have to cop it sweet. I refer to the comments made by the Deputy Premier and reported in the Press on 2 July 1989. He claimed that the maximum amount the Government could lose out of the \$100 million interim finance for PICL was \$75 million. That is not a bad amount - it is not a lot of money! I notice that the Premier is leaving the Chamber and I ask him not to go to Ireland.

What has been the effect of these investments on Western Australia? A running battle has been going on in the suburb of Willagee for the last 12 months between the Ministry of Education and the parents of the children who attend that school. For the benefit of Government members who have not talked to working class people for a while, as opposed to Bond and Connell, I will tell them of the situation in Willagee. The primary school is regarded as a priority school by the Federal Government. The mathematicians on the other side of the House decided to reassess the position of the headmaster at the school. The Ministry of Education conducted a rationalisation program and, as the school does not have 300 students attending, the Ministry decided that it did not need a non-teaching headmaster. The parents submitted a petition stating that they needed the non-teaching headmaster at the Willagee Primary School. There are very good reasons for that, the first being that he is a male headmaster - I will explain that comment. More than 50 per cent of the children at the Willagee Primary School are from single parent families, and the school is situated in a very low socioeconomic area. All the single mothers of children who attend that school get support from the headmaster. However, as a result of a brilliant mathematical move the Ministry has decided that the non-teaching headmaster cannot continue at the school. In the meantime the Government is wasting all this money. It is losing \$500 000 a week in interest payments on the petrochemical deal, and yet it cannot afford a rotten \$17 000 a year to provide proper supervision for the children at that school.

Mr Pearce: That is utterly dishonest.

Mr SHAVE: It is correct. The reason the Government shifted the Leader of the House from the education portfolio is that he did more to destroy the education system in this State in two years than anyone else has done in 20 years. The Government keeps shifting the Leader of the House from one area to another, but sooner or later there will be nowhere to put him. He will have to go to a rabbit warren, unless he manages to put a knife into his mate's back before then.

Several members interjected.

The DEPUTY SPEAKER: Order! The member for Melville would do well to address his remarks to the Chair.

Mr SHAVE: I am quite happy to do that, Mr Deputy Speaker.

Let us look at where we are in relation to Petrochemical Industries Ltd. The Premier has tried to liquidate that project. The member for Cottesloe asked the Premier yesterday how much we are losing each day by funding that project. There is a major problem with it because the Government is on one side wanting to get out of that deal and Mr Alan Bond is on the other side with a \$250 million investment in a block of land in Kwinana that our Premier wants to liquidate and so leave him with nothing. We acknowledge that at some point in time - although the Government is not acknowledging this at the moment - the money in this project will be lost. There is a major problem, because on the one hand the Premier is saying that he wants to liquidate the project and get out while on the other hand Mr Bond is saying that he does not want to go because if it is liquidated and shows no value then his company's share price comes down. That is a major problem which will not be solved easily.

The Premier stood yesterday and said that Mr Bond offered him a number of 'overpriced assets'. What is new? An amount of \$400 million has been paid for a hole in the ground in Kwinana that is not worth a crummet. Now the Premier cannot believe that this bloke is coming back and doing the same thing with a whole lot of new assets. I put to you, Mr Deputy Speaker, that perhaps the Premier said, "Have you any more good deals that we can waste some more money on?"

The reality of the situation is that sooner or later the Government must acknowledge that it has lost this money - sooner or later it must come to its senses. Tomorrow morning, or whenever, we will get some more petrochemical taxes. It may be called a cigarette tax, but I call it a petrochemical tax. There will be other revenue raisers to help balance the books. The people of Western Australia will pay tomorrow for the indiscretions of this Government. The fact of the matter is that it is not relevant whether Mr Bond became involved in a joint project with the Government in a worthless piece of land in Kwinana. The point of the matter is "buyer beware".

Mr Bond is not responsible for the funds of the taxpayers of Western Australia. The people sitting on the other side of this House who got into deals in which they were skinned are responsible for that money. If I run a company which loses a lot of money I do not go out to Billy Jones who sold me a hotel for \$3 million more than it was worth and say, "Hey, that is not very fair, you are responsible for what I have done." People must be responsible for their own actions. This Government must be responsible for its actions. The reality of the matter is that the Premier, by deluding himself that the people of Western Australia believe his legal jargon and his legal nonsense, is wrong because he is already gone. The longer this matter goes on and the longer he blames Mr Bond for his errors the worse it will be for this Government and for Western Australia.

The Premier talks about starting another petrochemical plant and says that we will not lose money. I tell members that by the time it gets off the ground and is capitalised with a fair interest rate it will be a very expensive project. I would like to meet the bankers who would be silly enough to get into a business deal with a Government which is as irresponsible as this one.

We have a housing crisis in this State and the Minister present on the other side of the House knows all about housing. People must wait for 12 to 18 months for priority housing from Homeswest. If they get on the formal waiting list they must wait from 18 months to four years. I have plenty of letters from the Minister's executive officer, who does a good job and

writes to me quite regularly. There are many problems in these social areas where there is no money for hospitals, housing or for any part of the health system or education - we cannot even afford \$17 000 for the Willagee Primary School, yet members of this Government sit here and delude themselves that they are half competent. When I go to a function and a Government member is present with me and there are business groups present also, I am embarrassed for them to be there because I know that they know how incompetent this Government is.

Mr Pearce: Time, gentlemen, time.

The DEPUTY SPEAKER: Order! The honourable member's time has expired.

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

House adjourned at 11.26 pm

QUESTIONS ON NOTICE

FIRE BRIGADES - FUNDING

Changes

49. Mr COURT to the Minister for Police and Emergency Services:

- (1) What changes will the Government be making to the funding of fire brigades in Western Australia?
- (2) When will these changes be made?

Mr TAYLOR replied:

(1)-(2)

The review into the operations of the Western Australian Fire Brigades Board included a recommendation to alter the existing funding system of urban fire brigades in Western Australia. On 26 October 1988 the Government approved the establishment of a working party to collate and assess the reports and submissions available recommending the changes to the Western Australian Fire Brigades Board funding. A working party has been established, under the chairmanship of Mr Arthur Tonkin - appointed by the Minister for Police and Emergency Services - and comprises representatives of the Treasury, the Public Service Commission, the Local Government Association, the Fire Brigades Employees Industrial Union, the Fire Brigades Board, the Fire Brigade management, the Insurance Council of Australia, the Department of Premier and Cabinet, and the Office of the Minister for Police and Emergency Services.

BATEMAN NOALIMBA RECEPTION CENTRE - POLICE FACILITY

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

- (1) Does the Government still have land set aside at the Bateman Noalimba Reception Centre for a new police facility?
- (2) If so, when is it expected that facility will be constructed?

Mr TAYLOR replied:

- (1) Yes.
- (2) Because of vehicular access problems at the present site the Police Department is considering a land swap for a more suitable site in the same general location. It is not known at this time when construction of a facility will commence.

MOTOR VEHICLES - P PLATES

Period Extension

262. Mr HOUSE to the Minister for Police and Emergency Services:

- (1) Has any decision been made by the Government with regard to the extension of the P plate period?
- (2) Is there any likelihood that the Government will extend the P plate period from the current one year to two years?
- (3) Does the Government envisage extending this one year period to three years?
- (4) Under what circumstances would the current period of one year be extended to either two or three years?

Mr TAYLOR replied:

- (1) Yes.
- (2) On 10 October 1988 Cabinet directed that the probationary period be extended from 12 months to 18 months; however, owing to administrative difficulties that may be incurred by having an 18 month probationary period, a further submission is to be prepared, recommending the period be extended by two years.

- (3) No.
- (4) Answered by (2) and (3).

ECONOMIC DEVELOPMENT AND TRADE - COUNTERTRADE PROPOSALS
Government Officers - Involvement

419. Mr COURT to the Minister for Economic Development and Trade:

- (1) How many Government officers are involved in countertrade proposals within the Minister's area of responsibility?
- (2) Who heads this section?
- (3) What countertrade deals have been finalised since this section was first established?

Mr GRILL replied:

- (1) There are four positions, inclusive of secretarial support. One position is currently unoccupied.
- (2) Mr P.J. Mahoney, Director, Countertrade and Offsets Division, Department of Trade Development.
- (3) Countertrade agreements with a total value of \$124.6 million have been negotiated with a number of foreign suppliers. Several projects in fulfilment of these obligations are under consideration. Two projects with a total countertrade value of \$45 million have already been committed, namely -

GEC defence support facility at Henderson Estate; and

ABB Group Tannery at Capel.

SAIL AUSTRALIA FOUNDATION - GOVERNMENT CONTRIBUTION

420. Mr COURT to the Treasurer:

- (1) What financial contribution has the Government made to the Sail Australia Foundation?
- (2) To what purposes has this money been put?

Mr PARKER replied:

If the member could provide me with more specific details I will arrange for a reply to be forwarded to him in writing.

CORPORATE AFFAIRS DEPARTMENT - LLOYD, MR
Hilton, Mr - Charges Advice

422. Mr COURT to the Minister representing the Attorney General:

- (1) Who advised the Corporate Affairs Department on whether charges should be laid against Mr Lloyd and Mr Hilton?
- (2) When was this advice received by the Corporate Affairs Department?

Mr D.L. SMITH replied:

- (1) Crown Law Department and Special Investigator, Mr M. McCusker, QC.
- (2) Several oral and written advices were received prior to charges being laid.

ROTHWELLS LTD - GOVERNMENT GUARANTEE
National Australia Bank - Legal Agreement

425. Mr COURT to the Treasurer:

- (1) Was the \$150 million guarantee or indemnity given to the National Australia Bank as a part of the Rothwells package a legally enforceable agreement by the National Australia Bank?
- (2) If yes, and if the money is called upon, from where will it be appropriated and under what authority?

Mr PARKER replied:

- (1) Yes.
- (2) As liability under this guarantee has been discharged, the question does not arise.

SUBMARINES - TENDERS

Western Australian Companies - Government Assistance

427. Mr COURT to the Minister for Economic Development and Trade:

- (1) Is the Government working with any Western Australian companies to assist them in the tendering for the refit of Australia's submarine fleet?
- (2) If yes, what assistance is being offered?

Mr GRILL replied:

- (1) Government officers are working closely with the two Western Australian companies bidding for the submarine refit contract - Clough Engineering Group and Australian Shipbuilding Industries - to ensure that the State is represented by two fully competent tenders in terms of facilities, equipment and technical capability. Over 50 potential Western Australian subcontractors have been identified for possible Government assistance in achieving appropriate capability upgrades.
- (2) The forms of Government assistance available are in the provision of specialised equipment support, skills enhancement/training programs, and company upgrades in quality, management, and business planning.

FOREIGN INVESTMENT REVIEW BOARD - FOREIGN INVESTMENT FIGURES

Government Analysis - Western Australia

430. Mr COURT to the Minister for Economic Development and Trade:

- (1) Has the State Government analysed the foreign investment figures prepared by the Foreign Investment Review Board?
- (2) If yes, what level of foreign investment is flowing to Western Australia and how is it split between the real estate, agricultural, mining and manufacturing sectors?

Mr GRILL replied:

- (1) Yes.
- (2) Total foreign investment in Western Australia during 1987-88 was \$1 196 million. The sectorial breakdown was as follows -

	\$
Real Estate	161 million
Agriculture, Forestry and Fishing	3 million
Mining	786 million
Manufacturing	40 million

AIRLINE PILOTS - TRAINING COLLEGE SITE

Ansett, British Aerospace - Government Negotiations

435. Mr COURT to the Minister for Economic Development and Trade:

- (1) Did the State Government make any approaches to Ansett and British Aerospace in an attempt to try to win the siting of the \$40 million pilot training college in this State instead of New South Wales?
- (2) If yes, why were these negotiations not successful?

Mr GRILL replied:

- (1) Yes.
- (2) The company - British Aerospace - preferred to locate where suitable infrastructure was already available to support its proposed operation.

SMALL BUSINESS - EXPORT MARKETS DEVELOPMENT*State Scheme - Implementation*

437. Mr COURT to the Minister for Economic Development and Trade:

- (1) Will the State Government develop its own export markets development scheme for small businesses now that the Federal scheme effectively locks out most of the businesses?
- (2) If yes, when will such a scheme be implemented?

Mr GRILL replied:

(1)-(2)

The State Government has already developed an effective range of schemes to support the expansion of export markets by local companies. These schemes, which include the Export Graduate Scheme, the Export Market Support Scheme, the Japan Export Market Support Scheme, the Industry Export Consultant Scheme, and the WA Export Achievement Award Scheme, are complementary to those administered by the Federal Government and ensure all levels of industry are supported in Western Australia.

CHESTERTON INTERNATIONAL - TECHNOLOGY PARK*Management Contract*

447. Mr MacKINNON to the Minister for Economic Development and Trade:

- (1) Is it correct that Chesterton International is now managing Technology Park on behalf of the Technology and Industry Development Authority?
- (2) From what date did this management contract begin?
- (3) What are the details of the contract?
- (4) Was the contract determined by tender or on some other basis?
- (5) If on some other basis, what basis?
- (6) Why was this decision made?

Mr GRILL replied:

- (1) Chesterton International has been appointed to handle lease administration for all tenancies at Technology Park.
- (2) 1 May 1989.
- (3) The fee is five per cent of gross collections. Chesterton International has located a manager at the park.
- (4) Chesterton International has been appointed for a trial period of 12 months, after which tenders will be called from suitably qualified agents.
- (5) See (4) above.
- (6) A trial period was decided upon to determine the feasibility of placing lease administration in the hands of a private property agent.

TEACHERS CREDIT SOCIETY - COLLAPSE*Board Member Inquiry - Crown Law Department Advice*

451. Mr MacKINNON to the Minister representing the Attorney General:

- (1) Did the Government request from the Crown Law Department advice as to whether inquiries should be made into the activities of board members of the Teachers Credit Society in relation to that society's collapse?
- (2) If so, what was the nature of the advice received by the Government?
- (3) When was the advice received?

Mr D.L. SMITH replied:

- (1) I am advised that the Crown Law Department was requested to consider the activities of board members of the society and to take action, as necessary, as a result of that consideration.

(2)-(3)

Legal advice from the law officers of the Crown is invariably treated as confidential.

ELECTORAL ACT - ALLEGED OFFENCE
"Sausage Sizzle" - Police Report Tabling

455. Mr MENSAROS to the Minister representing the Attorney General:

In connection with the alleged offence against the Electoral Act which came to be known as the "sausage sizzle", is the Minister going to table the police report which the Crown Law Department reportedly received?

Mr D.L. SMITH replied:

No. Any contact between the departments would have been for the purpose of legal advice by the Crown Law Department to the police. As with all such legal opinions, any such advice is confidential.

CORPORATE AFFAIRS DEPARTMENT - SURVEILLANCE UNIT
Perth Based Stocks - Adequate Facilities

469. Mr GRAYDEN to the Minister representing the Attorney General:

- (1) Is the Minister satisfied that the surveillance unit of the Corporate Affairs Department has sufficient staff to adequately monitor current share market activity of Perth based stocks?
- (2) Has the department the staff and facilities necessary to adequately investigate breaches of the law arising out of the 1987 share boom.

Mr D.L. SMITH replied:

- (1) Surveillance activity in respect of Perth based stocks is jointly undertaken by the Western Australian Corporate Affairs Department, the National Companies and Securities Commission, and the Australian Stock Exchange. The Minister has been assured by the commissioner that the surveillance unit of the department has sufficient staff to undertake its responsibilities.
- (2) Facilities are adequate. Owing to a large increase in the number of matters reported for investigation coupled with increased competition from the private sector for experienced investigators, the department is presently experiencing a staff shortage. A number of initiatives are being taken by the department to address this shortage.

EMPLOYMENT AND TRAINING - EMPLOYEES
Working Days Lost

473. Mr GRAYDEN to the Minister for Labour:

How many working days were lost per thousand employees in each of the years 1971 to 1977 exclusive?

Mr TROY replied:

It is not clear from the member's question whether he is seeking information on working days lost per se or whether he is seeking clarification on the number of working days lost, due to industrial disputes, for the period in question.

The distinction is important, for the prevailing trend is that the number of working days lost due to industrial accidents is somewhere in the range of five to seven times that of working days lost due to industrial disputes.

SOURCE: ABS Industrial Accidents Australia, Catalogue No 6301.5.

Changes to the method by which the Australian Bureau of Statistics collects this data prevent me from making this comparable information available for the period in question. Nonetheless should the member be interested I would willingly pursue this matter on his behalf.

The information relating to working days lost per thousand employees due to industrial disputes is, however, available.

In Western Australia, working days lost per thousand employees due to industrial disputes were -

1971	-	192
1972	-	261
1973	-	313
1974	-	656
1975	-	253
1976	-	623
1977	-	532

SOURCE: ABS Industrial Disputes Australia, Catalogue No 6322.0.

PORTS AND HARBOURS - FREMANTLE
Conciliator

484. Mr COWAN to the Minister for Transport:

- (1) Who is the conciliator at the Port of Fremantle?
- (2) When was he/she appointed or reappointed and when does the current appointment expire?

Mr PEARCE replied:

- (1) Ted Boronovskis.
- (2) The conciliator was appointed in December 1985 and has since been reappointed for a term expiring 31 May 1992.

BANKRUPTCY - REGISTRATIONS

504. Mr LEWIS to the Minister for Economic Development and Trade:

How many official bankruptcies were registered in Western Australia in the financial years -

- (a) 1985-86;
- (b) 1986-87;
- (c) 1987-88; and
- (d) 1988-89?

Mr GRILL replied:

(a)-(d)

The member should be aware that his question should have been directed to the Federal Government. However, for the member's information the following figures are provided in calendar year format -

Year	Company - Liquidation			Bankruptcies		
	Official	Creditors & Members	Voluntary	Total	Full Year	First 8 months
1986	35	65	263	363	814	523
1987	43	62	173	278	949	628
1988	91	96	265	452	871	618
1989	87	72	174	330	518	518

(to 30/8/89)

SILICON SMELTER - BARRACK COMPANIES
Relocation Payment

505. Mr HASSELL to the Treasurer:

- (1) What total payment has been paid to the Barrack companies in respect of the relocation of the silicon smelter project?
- (2) Is any claim for payment outstanding?
- (3) If so, what is the amount of that claim?

- (4) Does the Government acknowledge any further or other liability in respect of this matter?
- (5) Has the Government estimated any amount of further payment which is or may be required to be paid in respect of this matter?
- (6) If so, what is the amount of it?

Mr PARKER replied:

- (1) A total payment of \$13.95 million has been paid to Barrack in respect of the relocation of the silicon smelter project. Of this amount, \$8 million is repayable to the State pursuant to section 6A of the Silicon (Picton) Agreement Act.
- (2) No.
- (3) Not applicable.
- (4) Barrack has acknowledged that there is no further liability on the State in respect of this matter.
- (5)-(6) Not applicable.

TEACHERS CREDIT SOCIETY - LOSSES *Government Payments*

509. Mr HASSELL to the Treasurer:

- (1) How much has been paid by the Government and to whom in respect of losses by the Teachers Credit Society?
- (2) What is the estimated total amount yet to be paid and to whom in respect of those losses?

Mr PARKER replied:

- (1) \$128.5 million as follows -
 - (a) \$3.5 million under an indemnity given as a condition of the agreement for the Rural and Industries Bank to purchase the non-commercial loans from the Administrator of the WA Teachers Financial Society Ltd (under Administration); and
 - (b) \$125 million to the Administrator of the WA Teachers Financial Society Ltd (the R & I Bank) in respect of the commercial loans portfolio.
- (2) Nil.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION OF WESTERN AUSTRALIA - SMALL RETAILERS *Union Superannuation Fund - Subscription Enforcement*

510. Mr HASSELL to the Minister for Labour:

- (1) Is the Minister aware that the Shop, Distributive and Allied Employees Association of Western Australia has advised many small retailers that they are required to use a union superannuation fund nominated by that union?
- (2) Is the Minister aware that the Industrial Relations Commission is concerned about the actions of the SDAEA, and regards its mail advice as mentioned as false and misleading?
- (3) Will the Minister investigate the matter, exercising powers under the legislation for which the Minister is responsible, or will the Minister request or direct an investigation?
- (4) Does the Minister support the action of the union in seeking to enforce employers to subscribe to a union superannuation fund when the issue is open to those employers?
- (5) What action will the Minister take in relation to this issue?

Mr TROY replied:

- (1) No, but I am aware there are award provisions requiring employers to subscribe to the industry fund unless the Industrial Relations Commission issues an exemption and allows them to pay into some other fund.
- (2) No.
- (3) No, because the matter is presently before the Industrial Relations Commission.
- (4) The union is entitled to seek enforcement of award provisions.
- (5) None, as the matter is appropriately before the Industrial Relations Commission.

TEACHERS ASSOCIATION OF AUSTRALIA - INDUSTRIAL RELATIONS COMMISSION

Registration Refusal - Government Policy

516. Mr MENSAROS to the Minister for Education:

Is the Minister's and the Government's policy in line with the recent decision of the Industrial Relations Commission in refusing the registration of the Teachers Association of Australia on the grounds that there are already two unions in the field, despite the fact that the TAA applied for registration before either of these unions?

Dr LAWRENCE replied:

The Ministry and the Government do not have a policy on the registration of the Teachers Association of Australia.

In regard to the Australian Industrial Relations Commission's decision to decline the registration of the Teachers Association of Australia, neither the Government nor my Ministry was required to support or discourage the attempts of this association to gain registration.

ROTHWELLS LTD - GOVERNMENT GUARANTEE

National Australia Bank - No Responsibility Payment

519. Mr HASSELL to the Treasurer:

How much did the Government pay to the National Australia Bank to free the Government of responsibility in respect of the Rothwells' guarantee and on what date was that payment made?

Mr PARKER replied:

The Government has not made any payments to the National Australia Bank. However, the provisional liquidator has been paid \$33 million, of which \$22.5 million is to the account of the State.

STATE GOVERNMENT INSURANCE COMMISSION - PARAGON RESOURCES

NL

Shareholding Losses

520. Mr HASSELL to the Treasurer:

- (1) Has the State Government Insurance Commission realised its losses on its shareholding in the Rothwells' associated company Paragon Resources?
- (2) If so, what were the total realised losses?
- (3) If not, what are the present unrealised estimated losses?

Mr PARKER replied:

- (1) The SGIC has a shareholding in Paragon Resources, which is no longer associated with Rothwells Ltd. This holding has not been sold and is valued in the same manner as all other equities at balance date. The SGIC reports to Parliament annually in accordance with the Financial Administration and Audit Act.

- (2) Not applicable.
- (3) All unrealised profits and losses on the investment portfolio are adjusted against the asset evaluation reserve and this is reported in the annual report to Parliament.

STATE GOVERNMENT INSURANCE COMMISSION - SPEDLEY SECURITIES LTD

Collapse - Deposits

521. Mr HASSELL to the Treasurer:

- (1) What were the total deposits of the State Government Insurance Commission with Spedley Securities Ltd, and companies associated with it, at the time of the collapse of that group?
- (2) What is the estimated loss to be incurred on these deposits?
- (3) When is it anticipated that such payment as might be received in respect of the deposits will be received?
- (4) What is the estimated loss of income to the SGIC in respect of the deposits with the Spedley group?

Mr PARKER replied:

- (1) The Spedley Securities Ltd deposit was \$30.5 million. An additional amount of approximately \$600 000 of accrued interest is due at liquidation date.
- (2) The Spedley Securities Ltd liquidators report by J.B. Harkness of Peat Marwick Hungerfords, of 29 June 1989, comments on the directors' report for an estimated dividend of 68.3¢ in the dollar. The board of commissioners had made a provision for non-recoverable deposits against Spedley Securities Ltd for \$10 million in its unaudited 1988-89 financial statements.
- (3) The SGIC is awaiting advice from the liquidator of Spedley Securities.
- (4) It is not possible to determine the estimated loss of income on the outstanding deposit until further advice is received from Spedley Securities Ltd's liquidator.

STATE GOVERNMENT INSURANCE COMMISSION - BELL GROUP LTD

Convertible Bonds Holding

522. Mr HASSELL to the Treasurer:

- (1) Does the State Government Insurance Commission still have its holding of Bell Group convertible bonds?
- (2) What is the current price of identical Bell Group bonds listed in Luxembourg?
- (3) It is acknowledged that unlisted bonds such as those held by SGIC usually trade at a rate of 10 to 15 per cent below the value of listed bonds?
- (4) What is the current estimated unrealised loss of the SGIC in respect of the Bell Group convertible bonds?
- (5) Has the Bond-SGIC-National Companies and Securities Commission arrangement for Bond to commercialise the bonds been put fully in place?
- (6) Precisely what was that arrangement?

Mr PARKER replied:

- (1) Yes.
- (2) The SGIC holding of Bell Group Ltd convertible bonds is unlisted.
- (3) The meaning of the question is unclear.
- (4) The SGIC has written down the value of the Bell Group Ltd unlisted convertible bonds in its unaudited financial statement to \$108 million against a purchase price of \$140 million for a face value of \$150 million.

- (5) The undertaking to commercialise the Bell Group convertible bonds is between the Bond Corp Ltd and the National Companies and Securities Commission.
- (6) The SGIC is not a party to the arrangement. However, in varying the Bell Group shareholding indemnity agreement with Bond Corp Ltd on 9 March 1989 the SGIC secured a two per cent improvement on the face value of the convertible bonds while they are retained by SGIC.

SUPERANNUATION - LOCAL GOVERNMENT SUPERANNUATION BOARD

Losses

523. Mr HASSELL to the Minister representing the Minister for Local Government:

What were the losses of the Local Government Superannuation Board in -

- (a) 1987-88; and
- (b) 1988-89?

Mr D.L. SMITH replied:

- (a) The \$12.7 million as recorded in the annual report, which also indicated that, based on actuarial advice, the assets of the fund would have been sufficient to meet the benefits if all members had resigned at the balance date. Changes have recently been made by moving from market-linked investments to capital guaranteed investments.
- (b) The figures for 1988-89 are not available yet.

POWER STATIONS - KWINANA

Natural Gas - Coal Fuel

528. Mr COURT to the Minister for Fuel and Energy:

- (1) What was the last date on which the Kwinana power station was run completely on natural gas?
- (2) To what extent is the Kwinana power station now being fuelled by coal?
- (3) What increases in air pollution - particularly sulphur dioxide, nitrogen oxides and particulates - have occurred in the Kwinana area following this change in fuel for the power station?

Mr CARR replied:

- (1) Saturday, 26 August 1989. The station operated at reduced demand using solely natural gas.
- (2) The fuel mix varies with system load demand and fuel availability. Over July 1989, 22.9 per cent of generation was by coal.
- (3) While coal firing could be expected to increase emissions of sulphur dioxide, nitrogen oxides, and particulates, no significant increases in pollution have been observed or measured.

WESTRAIL - ASBESTOS REMOVAL TEAM

Commercial Work - Private Sector

530. Mr COURT to the Minister for Transport:

- (1) What commercial work is Westrail's asbestos removal team carrying out in the private sector?
- (2) What percentage of their work is for Westrail and for outside of Westrail?

Mr PEARCE replied:-

- (1) None.
- (2) Currently 100 per cent Westrail. The activities of the asbestos removal team have been reviewed and the team will not pursue work in the private sector.

DEFENCE - HMAS "STIRLING"

Submarine Escape Training Facility - Answer to Question 2142-1988

531. Mr COURT to the Minister for Police and Emergency Services:

When can I expect an answer to question 2142, of Thursday, 15 December 1988?

Mr TAYLOR replied:

The answer to question 2142 is -

(1)-(5)

The submarine escape training facility is a Commonwealth matter and I suggest the member refer his question to the appropriate Commonwealth Minister.

(6) Not to my knowledge.

PETROCHEMICAL PLANT - KWINANA

Maximum Construction Size - Gas Supply

535. Mr COURT to the Minister for Fuel and Energy:

What is the maximum size petrochemical plant that could be constructed at Kwinana related to the current and future gas supplies available at the site via the existing pipeline from the Pilbara?

Mr CARR replied:

The existing natural gas pipeline from the Pilbara operating at full capacity with current gas composition could provide around 170 000 to 200 000 tonnes per annum of ethane feedstock for a "plastics-based" petrochemical complex at Kwinana. The maximum size petrochemical plant depends on the availability of the ethane feedstock, although some supplementation may be possible using propane. A petrochemical plant would logically be sized to use the amount of feedstock available from the ethane extraction plant.

PETROCHEMICAL PLANT - ETHYLENE DICHLORIDE

Spillages - Sea Bed Recovery

536. Mr COURT to the Minister for Environment:

Can spillages of ethylene dichloride be completely recovered from the seabed as may occur with a petrochemical plant?

Mr PEARCE replied:

The proposed petrochemical plant will be subject to rigorous environmental analysis, and will be approved only if it satisfies all necessary environmental safeguards. Questions such as the one raised by the member would be addressed during this process.

GAS - PERTH CONSUMERS

Calorific Value - LPG Gas Removal

537. Mr COURT to the Minister for Fuel and Energy:

(1) What is the calorific value of gas supplied to consumers in Perth -

(a) before the removal of liquified petroleum gas gases from the North West Shelf; and

(b) after removal of the LPG gases?

(2) What is the expected calorific value of the gas supplied to consumers in Perth after the removal of ethane, ethylene and other gases as feedstock for a petrochemical plant?

Mr CARR replied:

(1) (a) 39.7 MJ/m³ gross, on average; and

(b) 38.1 MJ/m³ gross, on average.

- (2) The calorific value of North West Shelf gas after removal of LPG, ethane and carbon dioxide would be approximately 37.4 MJ/m³ gross.

KHASHOGGI, ADNAN - DEPUTY PREMIER

Discussions

538. Mr COURT to the Deputy Premier:

- (1) Will the Deputy Premier provide information on the nature and extent of his discussions in Western Australia earlier this year with Adnan Khashoggi?
- (2) Did the Deputy Premier have further discussions with Mr Khashoggi after Mr Khashoggi left the State?
- (3) Did the Deputy Premier make Mr Ron Edwards, MHR, the Federal member for Stirling, aware of these discussions?

Mr PARKER replied:

- (1) The visit by Mr Khashoggi was essentially a courtesy call which was arranged by former Liberal Minister Ray Young and by Chick Campbell. The meeting lasted about 35 minutes, about half of which time was taken up by the showing of a Treasury produced video on Western Australia and the other half by general discussion on the strength of the State and the nature of Khashoggi's investment activities on behalf of himself and Middle East clients.
- (2) No.
- (3) Not applicable.

MINISTERS OF THE CROWN - MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Western Australian Business People - European Trip

539. Mr COURT to the Minister for Economic Development and Trade:

- (1) Will the Minister be leading a visit of Western Australian business people to Europe later this year?
- (2) If yes, when will this visit be taking place?
- (3) What countries will be visited?

Mr GRILL replied:

- (1)-(3) Two senior Western Australian businessmen will join the Deputy Premier and me to speak at an investment seminar to be attended by over 100 industry, commerce, and finance leaders in the United Kingdom on 10 and 11 October 1989.

STATE ENERGY COMMISSION - WESTERN COLLIERIES LTD

Advance Coal Purchase - Price per Tonne

542. Mr COURT to the Minister for Fuel and Energy:

When the State Energy Commission of Western Australia agreed to purchase \$15 million worth of prepaid coal from Western Collieries, at what price a tonne was this deal agreed to?

Mr CARR replied:

The coal prepurchase arrangement entered into by the State Energy Commission was based upon standard contract prices with adjustments to take account of actual coal tonnages delivered during the period of the prepurchase and the cost of funds to SECWA, plus a margin.

GAS - NORTH WEST SHELF PROJECT

Government Payment - Unused Gas Amount

544. Mr COURT to the Minister for Mines:

- (1) What is the total amount of gas that the State Government has paid for from the North West Shelf partners, but not used?

- (2) Has the Government started using gas out of this reservoir?
- (3) If yes, how much gas has been used?
- (4) When did the State Government start taking gas from the reservoir?

Mr CARR replied:

- (1) As at the end of June 1989 the total outstanding amount of gas paid for by SECWA but not used - makeup - was 56 162 terajoules.
- (2)-(4) Although some makeup has been recovered from the south west category during 1987-88 and 1988-89, accumulation of makeup in the Pilbara category has continued, and no net recovery of makeup has yet been possible.

STATE ENERGY COMMISSION - ELECTRICITY CHARGES
Household Meters - Revenue Figures

545. Mr COURT to the Minister for Fuel and Energy:

What were the total revenue figures received from State Energy Commission of Western Australia reading charges for private households in the following years -

- (a) 1986-87 financial year;
- (b) 1987-88 financial year; and
- (c) 1988-89 financial year?

Mr CARR replied:

- (a)-(c) SECWA does not receive any direct revenue for the normal reading of household meters. The cost of reading these meters is a component of the domestic tariff structure.

STATE ENERGY COMMISSION - ELECTRICITY READINGS
Household Meters - Average Intervals

546. Mr COURT to the Minister for Fuel and Energy:

What was the average interval between readings by State Electricity Commission of Western Australia of household meters in the following years -

- (a) 1986-87 financial year;
- (b) 1987-88 financial year; and
- (c) 1988-89 financial year?

Mr CARR replied:

- (a)-(c) The average interval between readings of household meters for each of the years in question was 59 days.

METROPOLITAN MARKET TRUST - MARKET CITY
Fire Brigade Board - Regulations Non-compliance

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

- (1) Is the Minister aware that, in the letter of 11 July 1989 addressed to the Chairman of the Metropolitan Market Trust, the Western Australian Fire Brigade Board has listed eight areas where the central trading area building at Market City - the new Metropolitan Markets - in Bannister Road, Canning Vale, do not comply with the board's requirements?
- (2) Is it correct also that the Metropolitan Markets Trust building does not comply in this way?
- (3) How many similar buildings that are not owned by Government statutory agencies - that is, privately owned buildings - have been allowed to install systems that do not comply in this way?

(4) Given that there appears to be some different point of view between two Government agencies on this matter, will the Government now address this apparent dispute and, if the Fire Brigade Board regulations need changing, alter those regulations or alternatively ensure that the Metropolitan Market Trust, like private sector operators, complies with the regulations as laid down?

(5) If not, why not?

Mr TAYLOR replied:

(1) Yes, the correspondence referred to was as a result of a routine inspection by fire brigade officers.

(2) There is and has been some dispute as to the interpretation of some of the matters raised.

(3) There may be a number of buildings which do not meet present by-law provisions. However, the same buildings would have been required to meet the provisions of the by-laws as they existed at the time of construction.

(4)-(5)

The question concerning whether the Crown shall be bound by building regulations relates to regulation 373 of the Local Government Act 1960-82, which exempts all such buildings. The resolution of this matter rests with the Department of Local Government, which is currently reviewing the appropriate section of the Act.

PETROCHEMICAL INDUSTRIES LTD - STATE BUDGET

Government Obligations - Payment Details

565. Mr MacKINNON to the Deputy Premier:

(1) Does the Deputy Premier and Treasurer recall in his media statement of 20 July 1989, commenting on the Government's financial year Budget for the year ending 30 June 1989, stating that, "In the year just completed we spent about \$19 million from the Budget in meeting our Petrochemical Industries Ltd obligations."?

(2) Would the Treasurer detail for me the exact total of the payment made by the Government in meeting its PIL obligations?

(3) Will the Treasurer detail for me what those payments were for?

Mr PARKER replied:

(1) Yes.

(2)-(3)

Financial assistance to WAGH with the following -

27.2.89	Kwinana petrochemical project feasibility study costs and expenses incurred in acquiring the interest in Petrochemical Industries Ltd (formerly Petrochemical Industries Company Ltd)	\$ 1 466 399.71
16.3.89	Share of stamp duty payable on acquisition of the interest PIL	\$ 1 050 020.85
3.4.89	Interest due to the State Government Insurance Commission on \$175 million debentures issued to raise funds to acquire the interest in PIL	\$12 164 500.00
30.6.89	Interest paid on \$75 million promissory notes issued to fund project interim finance for PIL	<u>\$ 4 159 682.20</u>
		<u>\$18 838 602.76</u>

SCM CHEMICALS LTD - AUSTRALIND
Sulphate Process - Continuance Plans

568. Mr BRADSHAW to the Deputy Premier:

- (1) Is SCM Chemicals Ltd planning to continue with the sulphate process at Australind?
- (2) Is there a proposal by SCM Chemicals to construct another pipe into the ocean to discharge waste from the Australind site?

Mr PARKER replied:

(1)-(2)

Under the Pigment Factory (Australind) Agreement Act 1986, section 6(1), the company may continue to use the sulphate process at the factory until the "changeover date". The "changeover date" is defined in the agreement as 30 June 1990. Pursuant to section 8(8) of the agreement, however, the "changeover date" is now 30 October 1990 due to the delay in the original approval of proposals under section 8(1)(a) being issued on 30 October 1987.

HOUSING - HOME BUILDING INDUSTRY INQUIRY
New Legislation

570. Mr FRED TUBBY to the Minister for Consumer Affairs:

- (1) Is it the intention of the Minister to introduce legislation based on the home building industry inquiry?
- (2) If yes, when is this legislation likely to be introduced?

Mrs HENDERSON replied:

(1)-(2)

The recommendations of the inquiry are currently the subject of discussion with industry and consumer groups with a view to implementing measures to protect consumers and to create confidence in the industry as soon as possible.

RETIREMENT VILLAGES - ESTABLISHMENT
Operations - New Legislation

572. Mr FRED TUBBY to the Minister for Consumer Affairs:

- (1) Is it the Minister's intention to introduce legislation to regulate the establishment and operation of retirement villages?
- (2) If yes, when is this legislation likely to be introduced?

Mrs HENDERSON replied:

(1) Yes.

(2) As draft legislation is currently being considered it is not possible to predict an introduction date.

CARAVANS - PRIVATE LAND
Restrictions Legislation - Working Group Establishment

573. Mr FRED TUBBY to the Minister representing the Minister for Local Government:

- (1) Has the Minister established a working group to look at possible legislation to restrict the use of caravans on private land?
- (2) If yes, could the Minister please explain the reasoning behind the establishment of such a group?
- (3) If no, is the Minister aware of any other Government Minister who may have established such a group?

Mr D.L. SMITH replied:

- (1) In 1987 the previous Minister for Local Government, Jeff Carr, appointed the caravan industry development strategy working group to inquire into and review all existing legislation relating to caravans and caravan parks and to

develop policies for regulating the use of caravans in caravan parks and on other land.

- (2) It was considered that the present legislative and administrative framework were outdated and insufficient to deal with current and future issues facing the caravan park industry. The working group has completed its review and the Government released its report for public comment in June 1989.

- (3) Answered by (1).

STATE PLANNING COMMISSION - BEDFORDALE/ROLEYSTONE LAND
Sheep

574. Mr FRED TUBBY to the Minister for Planning:

- (1) Is the Minister aware that sheep have been grazing on State Planning Commission land between Churchman's Brook Road and Brookton Highway in Bedforddale/Roleystone?
- (2) Is the Minister aware that at least one employee of the State Planning Commission was involved in the ownership of these sheep?
- (3) Will the Minister explain the contractual arrangements under which this State Planning Commission land was so utilised?
- (4) Were Government vehicles involved during the installation of fences, a water tank, troughs and the laying of water pipes on this property?
- (5) Were facilities mentioned above provided by State Planning Commission funds or installed at the expense of the lessees?
- (6) Is the Minister aware that the sheep on this property have been the subject of investigation by the Royal Society for the Prevention of Cruelty to Animals since May 1989?
- (7) Is the Minister aware that, through overstocking and neglect, a large number of these sheep have starved to death and others have had to be destroyed by officers of the RSPCA?
- (8) Does the Minister intend taking any action over the involvement of an officer or officers within the State Planning Commission?
- (9) What action does the Minister intend to take to ensure that any future arrangements which are made to graze stock on State Planning Commission land do not involve people ignorant in the care of livestock?

Mrs BEGGS replied:

(1)-(9)

A five year grazing lease for the commission property was negotiated in December 1988 to commence from February 1989. The State Planning Commission was contacted by an adjoining landowner and the RSPCA in April 1989 when it became known that stock losses were occurring owing to overgrazing of the property.

At this time the commission became aware of the involvement of a State Planning Commission employee in the management of the property. Although the employee was not the lessee, he was formally warned by the chairman of the commission of possible breaches of the Public Service Act and he withdrew from all involvement with the property.

Action was taken by the lessee to remove half the stock from the land in April 1989 following intervention of the State Planning Commission and the RSPCA; and, with the exception of a few remaining sheep, all stock have now been removed from the property. I have instructed the commission to terminate the lease immediately.

I have been advised that no Government vehicles were involved in any work associated with installation of facilities which were installed at the lessee's expense.

QUESTIONS WITHOUT NOTICE

BOND CORPORATION - THREATS

Breach of Law - Premier's Action

88. Mr MacKINNON to the Premier:

- (1) Will the Premier be taking any action to report to the police for examination Bond Corporation's threats outlined in his comments to the Parliament this afternoon to determine whether those actions breached any law in Western Australia?
- (2) If not, why not?

Mr PETER DOWDING replied:

(1)-(2)

I have made it clear already that I believe that the conduct was not criminal conduct; it was simply conduct which went beyond the acceptable bounds of commercial conduct. I have made it clear also that that view has been reinforced by advice that I have been given.

JUVENILE OFFENDERS - INCARCERATION

Statistics

89. Mrs WATKINS to the Minister for Community Services:

- (1) What is the current level of incarceration of juvenile offenders in this State?
- (2) How does that compare with other States?
- (3) Is it true that twice as many juveniles have been incarcerated than at this time last year?

Mr D.L. SMITH replied:

- (1) A total of 131 juveniles are incarcerated in remand and training centres in Western Australia which is the full capacity of those centres.
- (2) Compared with other States, Western Australia has a very high level of incarcerated juveniles. The Australian Institute of Criminology standard form for comparison refers to a rate per 100 000 of the population at a certain date. As at 30 June 1989, the Western Australian rate was 72.1 per 100 000 compared with 0.4 per 100 000 for New South Wales and 2.8 for Victoria.
- (3) The current occupancy rate for our juvenile institutions as at August 1989 in terms of the average daily rate was 123.8 compared with 63.4 last year.

Those figures tell us two things. The first is that the people who call for higher and higher rates of juvenile incarceration and for heavier and heavier penalties in response to the so-called juvenile crime wave are not studying the facts. The facts are that we are tougher on our juveniles in this State than in any other State and if one takes a year by year comparison, we are getting tougher all the time. However, the answer does not lie in the incarceration of juveniles. We need programs designed along the same lines as the "Kids in Crime" package which are aimed at diversion and building up self-esteem and making sure that our children have a worthwhile future rather than a future being surrounded by four walls.

BOND CORPORATION - THREATS

Premier - Crown Advice

90. Mr MacKINNON to the Premier:

Further to my earlier question I ask -

- (1) From whom did the Premier seek advice on the matters I referred to?
- (2) What was the nature of that advice?

Mr PETER DOWDING replied:

(1)-(2)

I am not going into the detail of it. I have been satisfied by the advice from public officers of the Crown on the matter and that is the end of it.

Mr MacKinnon: Which department?

Mr PETER DOWDING: The Leader of the Opposition will not get me to identify individuals.

Mr Court: You were not dinkum yesterday.

Mr PETER DOWDING: I was dinkum. I have taken the advice. The advice was taken in an indirect sense last week and specifically this week. I am satisfied my own view was correct. There were grounds, on my advice, for my not taking the matter in any of the directions the Leader of the Opposition has suggested.

MOTOR VEHICLES - CAR RENTAL FIRMS
Minimum Cost - Advertisement Misrepresentation

91. Mr MARLBOROUGH to the Minister for Consumer Affairs:

- (1) Is the Minister aware of the recent advertisements of some car rental firms that misrepresent the minimum cost of their service?
- (2) If so, can she inform the House of any action being taken to stop this?

Mrs HENDERSON replied:

(1)-(2)

I have received a number of complaints from consumers who were somewhat surprised and disappointed to find, when going to rent a vehicle, that what they had been led to believe was the minimum rental rate for a car did not include a compulsory insurance fee. Advertisements have frequently appeared in the Press and in information brochures which referred to a "from" price from which vehicles are available for rental. The "from" price generally does not turn out to be the minimum amount for which a vehicle is available because of the obligation to pay for compulsory insurance.

I am concerned about this matter because it appears the largest market for rental vehicles is from interstate and overseas visitors. With the tourist industry supporting the economy in Western Australia to the tune of at least \$1.1 billion per annum it is important visitors to our State leave with a good impression of the honesty of advertising in this State.

In order to address the problem I have asked the Commissioner for Consumer Affairs to write to all car rental firms advising that advertisements must state the price which is the true minimum rate at which a car could be hired and that that rate must include the compulsory insurance which is necessary to rent a car.

I have directed that car rental companies be advised that section 12 of the Fair Trading Act provides that a person must not make a false representation with respect to the price of goods and services and that failure to comply can result in a fine.

The commissioner will advise all car rental companies that their advertisements should be changed in order to ensure the true price of the car is, in fact, the price that is advertised.

ROTHWELLS LTD - PREMIER
Bond, Mr Alan, Grill, Mr Julian - Breakfast Meeting

92. Mr MacKINNON to the Premier:

- (1) Did the Premier attend a meeting together with the then Minister for Agriculture, Mr Julian Grill, at Mr Bond's home on the morning of 21 October to discuss the Rothwells' rescue plan?

- (2) If not, for what purpose did the Premier meet Mr Bond at his home, or elsewhere, that day?
- (3) What agreements in relation to Rothwells were agreed to at that meeting?

Mr PETER DOWDING replied:

(1)-(3)

I did not have breakfast: I attended a meeting at breakfast time and I do not recall the date. The nature of the discussion and the basis of the material which was discussed and the agreements that were proposed there, were the subject of a report I made to the investigator into the Rothwells' matter, Mr Malcolm McCusker, QC, and in view of the fact that those matters are with him I should say no more.

REGIONAL PARKS - CANNING RIVER WETLANDS
Establishment Commitment - Implementation Progress

93. Mr READ to the Minister for Planning:

What progress has been made with regard to the implementation of the commitment made by Cabinet to establish a regional park to protect the Canning River wetlands?

Mrs BEGGS replied:

I thank the member for his question in order that I can give an update on the progress to date of the implementation of that regional park to protect the wetlands and also to give credit where I think it is due. Unfortunately, this question also gives me the opportunity to hand out some brickbats.

What has happened with the regional park near the Canning River is that many recommendations have made to the steering committee. Cabinet decided that these wetlands should properly be conserved as part of our environmental heritage.

Submissions were received from the public and the steering committee and its project team paid very careful consideration to how privately owned land could best be incorporated into the park.

The State Planning Commission will continue a land acquisition program over several years to purchase land remaining in private ownership. The land will not be resumed, but as it becomes available the commission will offer to purchase this land.

To implement the dedicated work and recommendations of the steering committee the member for Kenwick will maintain her long involvement by chairing the interim management committee which will be formed and will meet regularly from 8 September on which date the Canning River regional park report will be launched.

We now have 272 hectares of estuarine wetlands set aside for the Canning River regional park. We have also ensured that the funds will be available over the next three years to enable the committee's recommendations to be implemented.

This park has been established due to a commitment by the Government - there is no doubt about that - to ensure the protection of significant environmental wetlands along our waterways is achieved. It is important to remember that can only happen because of the commitment and dedication of many local residents and the local authority to ensure we can achieve a conservation and recreation area along the Canning River.

The interim management committee has taken into account all the public submissions which will be carefully considered when planning the future management of the park.

I actually read a letter that had been sent to the member for Kenwick from Shirley de la Hunty. I am aware of her pretending to champion of various

environmental causes. The letter was considerably rude, considering the member for Kenwick has played an active role in what has been achieved. It really does make me question -

Several members interjected.

Mrs BEGGS: The next brickbat will be for the member for Riverton.

I wonder about Mrs de la Hunty's commitment to this cause.

Several members interjected.

Mr Shave: Is this another character assassination?

Mrs BEGGS: I criticised her on the steps of Parliament House a few weeks ago.

Several members interjected.

The SPEAKER: Order! I want to relate to the new members the practice which used to occur in this House and to which I do not want to revert. I want to alert members to the fact that it is possible for that practice to continue because a precedent has been set on many occasions. The situation which used to prevail in question time was that when one interjection occurred the Speaker would rise and call an end to question time. It is only fair that members do not interject. All it does is extend the question or answer and it stops another member, at the end of the list, from getting an opportunity to ask a question.

Mrs BEGGS: Thank you, Mr Speaker.

I do question the commitment of someone like Shirley de la Hunty when she writes rude letters and her only commitment to this cause is making public statements in the Press. She did not see fit to make a submission concerning the Canning River park.

As I said, the next brickbat is for the member for Riverton.

Several members interjected.

Mrs BEGGS: I am happy to throw another sausage on the barbie.

The member for Riverton should acquaint himself with the facts before he makes wild allegations concerning land to be purchased for inclusion in the Canning River park. He has been attempting to use land in Ferndale to continue his so-called outrage against a decision of the State Planning Commission's to allow the subdivision of the Watts Road Lake. I want to put on record the exact position regarding that. The land has been zoned urban since the early 1960s.

The current owner purchased the land about 11 years ago with the intention of developing it for housing. In 1985 a decision was made in regard to Watts Road Lake. We did not make this decision without consultation or without looking at it carefully, which the member for Riverton claims that we did. In 1985, following an evaluation of the Watts Road Lake and the adjacent Canning River foreshore, the then Metropolitan Region Planning Authority resolved to extend the existing reservation by a further 7.5 hectares to include land which formed an integral part of the estuary and wetlands and to provide a buffer between the urban zone and the river foreshore.

The basis of the decision not to include Watts Road Lake itself within the reserve extension is that while we all agree that the lake has some environmental significance, it was not considered to have such value to warrant its becoming a reservation and the resultant allocation of public funds for its acquisition. That view was supported by the findings of a Murdoch University study, and advice from the Swan River Management Authority and the then Department of Conservation and Environment.

In conclusion, I congratulate wholeheartedly all those people who played a constructive role in ensuring that the Canning River Wetlands Regional Park report will be released.

Mr Kierath: When will it be declared?

Mrs BEGGS: On 8 September. At that time I am sure that the public will see that the Government is committed absolutely to the program and will put the necessary resources behind it.

PETROCHEMICAL PROJECT - PETROCHEMICAL INDUSTRIES CO LTD
Directors - Equality Agreement

94. Mr HASSELL to the Premier:

- (1) Does the Premier recall, if not specifically at least generally, that on a couple of occasions last year we were advised by the Deputy Premier that there was a special agreement between the parties in the petrochemical project for an equal number of directors to be nominated by Bond Corporation and WAGH in PICL? According to my record, that was first stated on 27 October.
- (2) Does the Premier recall that the Deputy Premier also said on 9 November that one of the reasons why the Government took the equity level it did was to secure an equality of votes with Bond Corporation on the board of PICL and that the equality meant that in all matters Bond Corporation would not be entitled to use its majority position and, more importantly, that in all important matters such as construction, operation, financing or anything that affected the material value of the project an agreement was also in existence which was a shareholders' agreement, which was registered as such and which required unanimity of view?
- (3) Given that arrangement, was the Premier aware of those things?

Mr Pearce interjected.

Mr HASSELL: It is legitimate parliamentary practice, I must tell the Leader of the House, to provide an opportunity for the person being asked a question to know what he is being asked.

Mr Pearce: I think that questions in the form of, "Is he aware of . . ." are out of order.

Mr HASSELL:

- (4) Do these arrangements still subsist?
- (5) Is there still an equality of membership between the Government, Bond and other interests on the board of what is now called PIL?
- (6) If that equality has subsisted, how is it that Bond Corporation was able to alter the nature of the petrochemical project and take the other action it took to which the Government objected and which apparently forms the basis of the Government's application to wind up PIL?

Mr PETER DOWDING replied:

(1)-(6)

I thank the member for Cottesloe for his faith in me. I do not recall the statements to which the member for Cottesloe has made reference, although I recall the principles that the effect would be a requirement for unanimity of the board to take action in important areas. However, my understanding, which is not necessarily perfect, is that the changes about which major complaint was made were made by the Bond Group as managers of the project and not as a result of a decision of the board. Their role as managers of the project gave them certain rights in respect of the project. It is that about which there is some complaint.

Mr Hassell: They were able to make changes without the approval of the board, were they?

Mr PETER DOWDING: They were able to make some changes. If the member for Cottesloe wants to know exactly what is the ambit of that I will have to get some advice on that.

Mr Hassell: According to the Premier's petition, they changed the whole nature of the project.

Mr PETER DOWDING: That is one of the problems with a structure and is why we are saying at present that there is a need, if a project is to proceed, for there to be a major restructuring and that the project, as originally envisaged, has changed substantially but those changes take the project outside the ambit of the project which was agreed to and that the project which was agreed to was viable. The project which it has been transformed or altered to is not viable.

Inevitably that issue will, I imagine, be the subject of extensive litigation. I foreshadow from what has been said to us over the past few weeks that if we do not agree to the demands put to us Bond Corporation will move inevitably to major litigation. It will make all sorts of claims in the course of that litigation and I imagine will also claim large sums of money from the Government. We are well advised by both our private legal sources and the Crown legal sources that they will not succeed. I imagine that tomorrow or the day after, there will be a writ and a claim for between \$100 million and \$500 million.

Mr Court: It is cheering to know that.

Mr PETER DOWDING: The fact that someone is threatening one with litigation when one is advised by both Crown Law officers and our private legal advisers that they will not succeed - the silks who are providing advice to them are probably saying, "You have a good action"; I have no doubt that a similar team of people is sitting around in the Bond camp saying, "Well, you may not have a good action, but you have enough to give it a go" -

Mr Lewis: They may have a good action, may they not?

Mr PETER DOWDING: Our advice is that they do not. I must say to the member for Applecross that the job on this side of the House is not for wimps and he would fall over. As we have already observed his car nuts fall loose at the drop of a hat. That's mixing my metaphors. We on this side must say what position we take. The point I make to the Opposition is that the fact that people want to threaten me with litigation and want to threaten the State with litigation -

Mr Court: Or taxpayers.

Mr PETER DOWDING: Most importantly, taxpayers. That is not a ground for the State Government making concessions which, on good legal advice, it ought not make. That is the gravamen of the matter. Tomorrow or the day after there will be a writ, as sure as night follows day, and it will be for a huge and extravagant amount of money, all sorts of relief and will contain all sorts of allegations about what I have said.

Mr Court: Because of your disgraceful actions.

Mr PETER DOWDING: It is because I am not prepared to take disgraceful actions.

Mr Court: You have already taken them.

Mr PETER DOWDING: That is what the Deputy Leader of the Opposition says, but I will go to my dying day saying that he is wrong. I am saying here that the fact that people make those allegations or take those steps will not deter us from doing what is right. I hope I have answered the member for Cottesloe's question by saying that the substantial disagreement between us is the fact that as managers the project has changed so significantly that it is a different project. That is not to say that something could not be rescued from that.

Mr Hassell: Was that not to make sure it did not happen?

Mr Court: If you had equal numbers, how come it got out of control?

Mr PETER DOWDING: I am not going into those sorts of details when tomorrow or the day after there will be litigation. Our legal advice from our private sector lawyers and from Crown Law is unequivocally of the view that the Government is acting properly in this matter, and we shall continue to act properly. I am not sure that the same can be said of the Opposition. Although

the Opposition has heard me repeatedly say that I have absolutely no evidence that members opposite have been trotting down to chat with the Bond directors, the Deputy Leader of the Opposition has told us that he did so.

Mr Court: In May this year, as I said, but it had nothing to do with this.

Mr PETER DOWDING: Bond has quite properly had discussions with senior members of the Opposition parties to brief them on the project.

Mr Court: Who are they?

Mr MacKinnon: "To brief them on the project".

Mr PETER DOWDING: In fairness, they go on to say, "... its technical details and its benefits for Western Australia. For Mr Dowding to suggest there was anything improper or abnormal in such discussions is incredible."

Mr Court: Dead right!

Mr PETER DOWDING: Last night the only evidence I had was what people said to me. There was an absolute flat denial on the other side of the House. Suddenly the Deputy Leader of the Opposition got the heebies and let it slip. All of a sudden a little more and a little more came out. Where were his secret meetings held with Mr Merszei?

TOBACCO ADVERTISING - GOVERNMENT ACTION

McDonnell, Mr Paul - Newspaper Article

95. Dr GALLOP to the Minister for Health:

Can the Minister comment on the feature article by Paul McDonnell in today's *The West Australian* concerning the Government's actions in relation to tobacco advertisements?

Mr WILSON replied:

Yes. The article in *The West Australian* this morning under that by-line is thoroughly inaccurate and very misleading. It presents arguments as though they were evidence, not commentary. It is a thoroughly biased article presenting the tobacco industry's viewpoint.

The article shows no concern for the health of the public. It is precisely for health reasons that the Government is introducing these measures as recommended by the Australian Medical Association and many other health and community organisations.

In particular I would like to deal with the following issues. It is nonsense to suggest that the Government will start with tobacco and follow with other products such as alcohol, dairy products and environmentally unfriendly cleaning agents. These claims are mischievous. They also display complete ignorance of the magnitude of the smoking problem.

Tobacco is different. It is the largest preventable cause of death and disease in the State. It is also the only product currently on sale which is lethal when used as intended. It is foolish to suggest that the Government should ban tobacco rather than tobacco advertising only. The only curbs we should introduce are on tobacco advertising, not on individual behaviour. There is ample evidence that cigarette sponsorship affects children. They notice such sponsorship and are influenced by it. There are many reasons why children start to smoke, and one of the most important of these is cigarette advertising.

The new measures will not introduce any further controls on sport. Sports will be free to choose funding from any sources other than tobacco sponsorship. The Government has made it absolutely clear that tobacco advertising will be replaced. It is false to claim that local publishers and advertising agencies will lose thousands of dollars in revenue. The Government has clearly stated that it will not ban print media advertising; indeed local agencies will benefit. The Health Promotion Foundation's advertising, like the Government's present health promotion advertising, will use Western Australian agencies and media only.

The tobacco industry's arguments used in this piece must be seen simply as special interest pleadings designed to protect an industry controlled entirely from outside Australia. The only freedom we should talk about is not the freedom of the tobacco industry to advertise an addictive and uniquely dangerous product but the freedom of children to grow up without pressure from glamorous advertising and promotion of a product which will ultimately kill many of them. The proper perspective on the argument about tobacco advertising can be summarised as follows -

Given their polished presentation, it is no surprise that cigarette advertisements have a special appeal to young people.

Despite denials, tobacco company advertising seems to be aimed at a young market.

Tobacco firms must realise that if they do not control the tone of their advertising they will invite tougher Government action to reflect a mood that is hardening against smoking.

These words are not mine, they are not those of the Government, but come from a leading article in *The West Australian* of 28 December 1988. This Government has taken *The West Australian* at its word. It is a pity that the words of *The West Australian* have changed in the past few months.

BOND CORPORATION - THREATS TO PREMIER

Senior Opposition Members - Discussion Linkage

96. Dr TURNBULL to the Premier:

I have read with care document 372 presented to the Parliament this afternoon. It describes third hand the reported discussion between senior members of the Opposition, including Sir Charles Court. Would the Premier please explain how this document from Malcolm Turnbull links the senior Opposition members mentioned with any threats to the Premier's current position as Premier of Western Australia?

An Opposition member: A very good question!

Mr PETER DOWDING replied:

If it is a good question, it indicates that there are still a lot of members on the Opposition benches who have not understood what has been said here.

What I said yesterday was that statements had been made to me personally by Bond Corporation executives. Statements were made by Bond Corporation executives to my staff and to people who advise and represent the Government. I detailed those statements. I made it clear that I had no knowledge of the truth of the statements made by Bond Corporation executives; I only knew the facts. I said that as far as those events had taken place in my presence, they had actually occurred, and as far as those events had taken place in the presence of other people, they had actually occurred. We had absolutely no material to justify the proposition that the Bond executives told the truth. We have no material to justify that, and I made it clear yesterday we had no material to justify --

Dr Turnbull: This document does not link Sir Charles Court with any discussions regarding your current position. It only links Sir Charles Court's name in respect of the Emu Brewery site.

Mr PETER DOWDING: It goes further than that. What I am saying is that some of the discussions were held in my presence. Does the member understand that? Some of the discussions were held with people who represented the Government, inter alia - threats.

Mr House: Discussions or threats?

Mr PETER DOWDING: Well, threats in the course of discussions. These allegations, these statements -

Mr House: Threats are quite different from discussions.

Mr PETER DOWDING: Let us not get too involved in semantics. Yesterday I said what had been said to us by Bond Corporation executives. Some of those statements occurred in my presence; some occurred in the presence of me and members of my staff, and some in the presence of people like Mr Turnbull. Sometimes Mr Turnbull was present with me when some of these things were said; sometimes he was on his own. He has given us a statement -

Dr Turnbull: He does not link Sir Charles Court's name with any suggested rumours or otherwise of any threats to your position. I do not think Malcolm Turnbull would have liked the way you have used this piece of paper this afternoon in Parliament.

Mr PETER DOWDING: I have to say that I asked him if he would supply it so I could read it out.

Dr Turnbull: You read it out, but it was the position in which you used it.

Mr PETER DOWDING: I do not understand that.

Dr Turnbull: It does not link it.

Several members interjected.

The SPEAKER: Order!

Mr PETER DOWDING: So there is no misunderstanding, I have not asserted that I have any evidence against Sir Charles Court at all.

Mr Clarko: You're just going to drag his name through the mud.

Dr Turnbull: I am pleased -

Mr PETER DOWDING: Why did the member not listen to me when I said it yesterday? In fact, why did she not listen to me when I not only said it yesterday but when I went further than that - in my prepared speech I deleted all reference to Sir Charles Court because I had no evidence of what he had actually done.

Several members interjected.

The SPEAKER: Order!

Mr PETER DOWDING: I deleted the references in the speech I had prepared for me. It was when these people demanded -

Several members interjected.

The SPEAKER: Order!

Mr PETER DOWDING: - that I name the senior Liberal that I did so. Let us make it clear: The member misunderstood what I said last night. I hope I have clarified it.
