

Legislative Assembly

Wednesday, 26 August 1981

The SPEAKER (Mr Thompson) took the Chair at 2.15 p.m., and read prayers.

EDUCATION FUNDING

Cutbacks: Petition

MR WATT (Albany) [2.19 p.m.]: I present a petition from 941 residents of Western Australia. It protests against education funding cutbacks and requests justification for the actions taken. I have certified that it conforms with 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. 88.)

ANIMAL RESOURCES AUTHORITY BILL

Introduction and First Reading

Bill introduced, on motion by Mr Young (Minister for Health), and read a first time.

HOUSING AGREEMENT (COMMONWEALTH AND STATE) BILL

Third Reading

Bill read a third time, on motion by Mr Laurance (Honorary Minister Assisting the Minister for Housing), and transmitted to the Council.

MENTAL HEALTH BILL

Recommittal

Bill recommitted, on motion by Mr Young (Minister for Health), for the further consideration of clauses 3, 30, 34, and 53.

In Committee

The Deputy Chairman of Committees (Mr Blaikie) in the Chair; Mr Young (Minister for Health) in charge of the Bill.

Clause 3: Interpretation—

Mr YOUNG: I move an amendment—

Page 5, line 14—Delete the passage “(except in section 50(1))” and substitute the passage “(except in sections 50(1) and 53(1)(a))”.

Amendment put and passed.

Clause, as further amended, put and passed.

Clause 30: Persons received to be examined then admitted or to leave hospital—

Mr YOUNG: To give effect to an amendment that was made last night to clause 46 whereby subclause (2) was deleted, I now move an amendment—

Page 20, line 12—Delete the section designation, “46(1)” and substitute the section designation, “46”.

Amendment put and passed.

Clause, as further amended, put and passed.

Clause 34: Proceedings to be *in camera*—

Mr YOUNG: During the Committee stage of the Bill the question was raised by the member for Melville in respect of the rights of a person who was to be heard under clause 34 and proceedings before a justice to waive his right to have that particular hearing *in camera* and I made an amendment to the clause. That amendment was found not to have been the proper form of drafting. I now move to correct that amendment—

Page 21, line 30—Delete all words in the clause after the words “*in camera*” and substitute the following passage—

“unless the person who is the subject of the proceeding or examination waives such requirement, after satisfying the justice that he understands the effect of doing so.”

Amendment put and passed.

Clause, as further amended, put and passed.

Clause 53: Persons found unfit to stand trial may be admitted—

Mr YOUNG: This amendment proposes to put into effect the recommendation of the member for Melville that it is proper that two psychiatrists should be needed to certify that a person is suffering from a mental illness, rather than two medical practitioners. I move an amendment—

Page 31, line 8—Delete the words “medical practitioners” and substitute the word “psychiatrists”.

Amendment put and passed.

Clause, as amended, put and passed.

Bill again reported with further amendments.

WORKERS' COMPENSATION AMENDMENT BILL

Second Reading

Debate resumed from 20 August.

MR PARKER (Fremantle) [2.30 p.m.]: This amendment to the Workers' Compensation Act

1912 will do two basic things. Firstly, it will change the situation which prevails, which is that when workers are injured and such injuries are compensable by workers' compensation the charges are raised in hospital. It will cater for the changes to the health regulations and the health agreement between the Commonwealth and the State, and also the amendments to the Hospitals Act which were adopted here last week.

The Opposition has made its views known very well with respect to the changes to the whole new health scheme. Those views have been made known both in this House and outside it. We realise that irrespective of whether we like the new scheme the changes the Minister has proposed to the Administration Act in this respect are consequential upon those changes and we have no opposition to them.

Secondly, the intention of the Bill is to reinstitute a situation which most people thought existed until a recent decision of the Workers' Compensation Board. The position has always been thought to be that when a worker was in receipt of weekly payments and those weekly payments reached the stage when the totality of them had come to equal or exceed the prescribed amount then his entitlement to those weekly payments forever ceased, unless the Workers' Compensation Board made an order under section 29(7)(aa) authorising their continuation. The worker would, however, continue to be entitled to payment of medical expenses which continued to be incurred.

I understand that a decision given by Justice Charters of the Workers' Compensation Board placed a different interpretation on this matter. His interpretation of the Act would mean, for example, that where in May of this year, a worker had reached the existing prescribed amount of \$51 664 his payments would cease. But as from 1 July he was able to go back to the Workers' Compensation Board or his employer, as the case may be, and be placed on weekly payments even though he had not been in receipt of them since the previous May. That is something which had not been thought to be the case. The information we have from our learned advisers on the matter indicates that it is almost certainly wrong in law and the case may be overturned on appeal.

Although we recognise the amendments the Government has brought forward, the Opposition, the Trades and Labor Council, and the trade union movement generally would like a situation under which there would be no prescribed amount for the purposes of this limitation and under which we had a scheme similar to that operating in New Zealand and parts of Canada where

workers are entitled to weekly payments, as appropriate, depending on the type of injury and for as long as it was necessary until the person could return to work, irrespective of the question of a prescribed amount.

However, we recognise that always there has been a prescribed amount and if we must limit the amount of money to which a worker is entitled then it ought to be dealt with in a broader review of workers' compensation.

We believe that the Workers' Compensation Bill which was brought before us in April did not look at the whole question of compensation from a sufficiently broad point of view. Nevertheless, we recognise that this amendment does have the effect of reinstating a situation which everyone thought existed until the most recent judgment.

Many people do not realise that that judgment has changed the situation; for all of those reasons we support the amendment. Bearing in mind the imminent introduction of the new Workers' Compensation Bill these two amendments will be superseded, and on that basis the Opposition supports this legislation which we understand must be passed so that it is operating by 1 September because of the change in the health charges system on that date.

MR O'CONNOR (Mt. Lawley—Minister for Labour and Industry) [2.34 p.m.]: I thank the member for Fremantle for his general comments and support of this legislation. As the member mentioned, it is imperative that this legislation is passed before 1 September so that workers will obtain the benefits of it. The co-operation of the Opposition is appreciated. It is a pity we cannot get all Bills through in this way.

Mr Davies: We are willing.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Connor (Minister for Labour and Industry), and transmitted to the Council.

MARKETING OF ONIONS REPEAL BILL

Second Reading

Debate resumed from 6 August.

MR EVANS (Warren—Deputy Leader of the Opposition) [2.37 p.m.]: The House must have been waiting breathlessly for a measure of this kind. I cannot help wondering as to what extent the Minister searched his cupboards to find sufficient legislation to keep this session going. Maybe the Premier carried out a "Ron Barrassi" attack at Cabinet, with the result that the Minister searched the dungeons and attics at Jarrah Road to come up with the repeal of the Stallions Act and now the repeal of the Marketing of Onions Act and several others.

Mr Davies: Do not forget the wheat bags.

Mr EVANS: As a consequence, I have no doubt that the Minister for Agriculture has extended this part of the session by a full 10 minutes.

Mr Old: Can you go that long?

Mr EVANS: The reason for the revocation of this legislation is apparent, but there is one question the Minister may answer for me and that is: What is the amount being held in the marketing of onions trust account? When I asked the question previously the Minister did not have the precise figure available to him.

The money is to be put to a good purpose in a special vegetable research project at Medina. For that reason no objection is taken to it. If the Minister could make specific mention of that it would be of interest, and we look forward to his next effort in supporting the Premier's cause.

MR McPHARLIN (Mt. Marshall) [2.41 p.m.]: This Bill brings back memories to me.

Mr Evans: It is better than wheat bags!

Mr Tonkin: It brings tears to my eyes.

Mr McPHARLIN: When the dissolution of the Onion Marketing Board was first proposed, the Minister of the day called for a referendum amongst the growers to determine whether they wanted that to take place. The principle of this Bill is good because it involves the principle of organising marketing systems of primary produce under statutory control.

Mr Evans: Socialist then!

Mr McPHARLIN: The Minister of the day insisted—because he wanted the opinion of the growers—on calling for a referendum to ascertain the growers' attitude. That principle should be adhered to and it is also a policy the Country Party has believed in over the years.

In *The West Australian* of 1 August a report appeared in which concern was expressed about the rotten deal in vegetables. It reads as follows—

The secretary of the WA Market Gardeners' Association, Mr Steve Boyanich, said there were wholesalers at the vegetable markets who took advantage of the lack of definition in laws relating to vegetable marketing and became involved in questionable practices.

"Some wholesalers buy vegetables in 36-litre containers and transfer the produce to 30-litre containers," he said.

"They then sell the 30-litre containers at the 36-litre cost price. There's a handsome rake-off in this."

The trust should examine this matter to see how much truth there is in these accusations. It points to the need for consideration to be given to some control. It is evident throughout the whole of the marketing of primary produce that the manipulators and smart-aleck operators are there to take advantage of every chance they get. Although this Bill does not relate to meat, we are aware of the problem in that industry. The problem being encountered with the meat market at the present time is not over, but the same principle applies.

Although this is a small and rather unimportant Bill, it appears at the moment that it involves a great principle and it is something we should not ignore.

I am not opposing this Bill. After a poll was taken of the growers on 18 August 1967, it was decided not to continue, so the Act has not been operative since that time.

Mr Nanovich: Since the board was abandoned the onion growers have never been better off.

Mr McPHARLIN: That may be, but I question that.

Mr Nanovich: Well, ask the growers.

Mr McPHARLIN: However, the Government or the growers have not seen fit, since that time, to hold another poll to ascertain whether it would be preferable to bring back the onion marketing board. I have no objection or opposition to the measure before the House, but I wanted to make the point about the principle involved.

MR JAMIESON (Welshpool) [2.45 p.m.]: I would like to recapitulate the history of this legislation a little because I think it is vital, before we repeal such an Act, that we give due consideration as to why it was placed on the Statute book in the first place. In pre-war times, around 1938, I had the experience of being an

employee at the Metropolitan Markets for some years.

Mr Nanovich: Only a boy then.

Mr JAMIESON: Yes, I was only a boy and it irked me even though I was only a boy, that my employer was manipulating the market. He would pay 3d. a crate for lettuce, and at the end of the day he would store the unsold lettuce in a large Coolgardie safe. The next day he would retrim the lettuce and put them on the floor of the market at a cost of 2s. or 3s. a crate.

Mr Grewar: Perhaps he could have got less for them.

Mr JAMIESON: He might not have. That was my experience; a person would pay 3d. only a crate for lettuce, put them in storage and wait until there was a demand for them. He would then sell them at a huge profit. My boss was a shrewd fellow and I inherited the business from him when he was found to be a bankrupt—he should not have been running the business!

Mr Coyne: You probably put him in.

Mr JAMIESON: Time caught up with him and as a consequence he went out of business. The member for Mt. Marshall was trying to make the point that there is a reason for organised marketing. No person should bend his back to grow vegetables without being assured of a reasonably adequate return. The community has the responsibility to ensure that this happens, and that the supply of different products is steady.

One of the remarkable features about this Act is that it was the first piece of organised marketing legislation introduced into this State. It was introduced by a private member, a member of the Labor Party—the member for South Fremantle. He was Tom Fox and I am indebted to Arthur Watts for his contribution at that time. He was a prominent Country Party man. He, together with others, were anxious to see how the Act would operate because it was the first piece of organised marketing legislation that had been before the Parliament of Western Australia.

In those days the output of the Spearwood market gardens—in Tom Fox's electorate—was about 3 000 tons of onions per year. All the onions ripened at the same time, in the early months of the year; they were marketed and the growers would be lucky if they received £5 per ton. Of course some of the merchants were wide awake to the situation; the growers had nowhere to hold their produce when it was available and had to turn it into cash. Some merchants held the produce in sheds and other holding facilities which were primitive in comparison with those available today, and as soon as there was a

demand at the market for onions, the merchants would release the produce. Mr Fox and the onion growers came to the conclusion that if there was any advantage to be made by marketing in that way, it could be best achieved through organised marketing. As a consequence, this piece of legislation was formulated.

The then Minister for Agriculture (Mr Wise) was not too impressed with the idea, as the record of debate shows. Nevertheless, the weight of numbers in the Assembly, with the Country Party and the then National Party and, no doubt, Mr Fox's own friends voting together, was too great to allow Mr Wise to persist with his objection.

Mr Blaikie: They would have made a compelling argument, no doubt.

Mr JAMIESON: As a result, the legislation was passed. I have mentioned already that onions were readily available in the period just after Christmas. In addition, some onions came in from Albany in about March. I do not know whether they are grown in Albany today; the growers seem to have shifted their operations to the Pemberton-Manjimup area. However, the fact they are able to be stored greatly assists the industry.

What the growers aimed to do in those days was to obtain about £9 to £10 a ton, which would allow the onions to be retailed to the consumer at a penny a pound. We would not mind onions at that price today! Crop failures in the Eastern States and elsewhere have combined to create a shortage of onions, with a consequent high price.

As members have said, it is true that since 18 August 1967 the marketing of onions has gone along fairly well. However, there is always a chance we may slip back to the point where we must look elsewhere for our supply of onions. In the pre-war days, during the off season, very often it was necessary to import onions from interstate and even from overseas. We even used to import onions from Egypt. I graphically recall one cargo which was condemned as it arrived because about one-third of the onions were rotten. The cargo was taken out to sea and dumped. However, with the winter winds and currents, the sound onions began arriving at Cockburn Sound. For some time the favourite pastime of people with motorcars was to drive down to Cockburn Sound and help themselves to a load of onions.

Mr Blaikie: It is just as well the current member for Rockingham was not around then.

Mr JAMIESON: He would not have been happy about the environmental side of things. However, he would have been much happier with the state of the water in those days and I am sure

a few onions would not have harmed the environment.

Mr Barnett: It just goes to show how effluent will float back into the sound.

Mr JAMIESON: I notice from the 1938 debate that Victoria had already established an onion marketing board. Perhaps the Minister in his reply can inform us whether other States have seen fit to maintain their onion marketing boards, or whether they have gone out of existence.

The early legislation contained very stringent requirements which would not be appreciated by growers today. For example, it required that the expenses of a poll conducted to establish whether there would be a board would be carried by those people who signed the petition asking the Minister to hold the poll. If the board subsequently were established and began to make some money, the Minister was entitled to recoup those people the amounts they paid. Other harsh conditions prevailed. In fact, three-fifths of the growers needed to be in favour of a proposal before it would be put into operation.

Those were the problems facing the industry in its embryo stage. The growers experienced marketing problems which had to be straightened out and, according to the member for Whitford, those problems have been overcome today to our mutual satisfaction. We are much happier for the people involved in this occupation because there is nothing which would make a grower cry more than to grow onions and not receive an adequate return for his efforts.

Mr Parker: You could say that it would cut him up.

Mr JAMIESON: I have always had a great admiration for successful marketing ventures. Some ventures have been successful, and some have not. Many were not successful because those associated with them did not try to make them a success. This board, like so many others before it, has outlived its usefulness; it has reached the stage where people can do without it. However, my warning to the House is that we should keep a close watch on the situation.

The onion industry is not quite the same as the wheat industry. Ample storage facilities are available to handle surplus wheat, and to keep some aside for the lean years. This has been the case throughout history; in the biblical times, wheat silos or storage facilities were built during the seven good years for use during the seven bad years. I imagine enormous weavils existed in those days because they could not be eradicated. So, the necessity throughout history has been for man to

make sure his food stocks were constantly available to him.

Without wishing to return to the biblical way of overcoming these problems, it seems that the modern way is to establish some form of organised marketing. We now appreciate the system of wheat marketing and the floor price in wool. The Lamb Marketing Board has come in for its share of criticism, but no doubt it too has assisted the industry. All these controlling elements have aimed to provide the producer with a reasonable return for his labours; that should be our endeavour when dealing with legislation such as this.

If, as the Minister for Agriculture believes, the Onion Marketing Board has outlived its usefulness, that is a pity. Nevertheless, it served a useful purpose in getting producers through a difficult time when money was scarce and the return for their labours was virtually non-existent.

With those words, I support the Bill and hope that in the future we are assured of a reasonable supply of onions at a reasonable price.

MR BLAIKIE (Vasse) [2.59 p.m.]: I support the Bill brought forward by the Government. It has been very interesting to listen to the remarks of members; they certainly know their onions! It was rather interesting to members on this side to learn that the member for Welshpool has mellowed over the years and now obviously supports marketing authorities.

Mr Jamieson: Any system of organised marketing is a feature of socialism which I have always respected.

Mr BLAIKIE: I detected a note of concern for, and a note of genuine interest in, the people involved in rural activities. As I was going to say, perhaps in a few years' time his side of the Parliament will have a champion of the rural cause. I am delighted to see that he is—

Mr Jamieson: What about the Federal Acts—wheat marketing and the floor price? You would know who your friends are!

Mr BLAIKIE: —becoming a farmer's friend! I wish to make a comment, and I hope it will not create acrimony in this House. It is important that we in this Chamber reflect on what has happened. We should recall some of the other industry legislation and marketing rights that have been removed. I want to recount two or three of those myself.

One can go back to 1973 when the legislation relating to the dairy industry—

Mr Evans: You would never have got that through a Liberal Government.

Mr BLAIKIE: —was born in a degree of controversy. There was a great deal of concern within the Parliament. One could probably capture the spirit of the then member, Mr Fox, when he introduced the Bill in this House relating to the marketing of onions as indicated by the member for Welshpool. Other examples were the Lamb Marketing Board legislation, and a Bill, which was not passed, which related to the marketing of apples. Those pieces of legislation captured the imagination of the Press of the day and set the countryside afire with the arguments from both sides of the House, and from both sides of politics.

Today the Parliament is repealing legislation for which not a tear has been shed. It is being done virtually without a murmur.

Mr Parker: That is what we thought, but then you spoke.

Mr BLAIKIE: When a reform in agricultural marketing is introduced, it is not without drawn swords. It is quite historic that today we are repealing an agricultural marketing reform, and yet the community could not care less.

It has been 14 years since the industry decided it did not want to proceed with organised marketing. We have reached the stage that the industry has made a decision, the Government has made a decision, and the Parliament is supporting and carrying out the wishes of those in the industry.

I support the Bill.

Mr NANOVIK (Whitford) [3.04 p.m.]: Before the Minister replies, I have a few words to say. I am not going to cry about onions, but I want to say that the board was dissolved in 1967. I have no hesitation in saying that the growers have never been so well off.

When the board existed and growers had to operate under the auspices of the board, there were always arguments about the pricing of the onions. The growers claimed they were never receiving enough. This created more problems within the onion growing industry.

I am pleased that at the time the board was dissolved, I played an active part in its dissolution through the Market Gardeners Association.

I do not know why it took so long for the Act to be repealed. There has never been any move to have the board reinstated. I can see no reason for delaying the repeal of the Act.

In relation to the money in the trust fund, it may have been a better idea to distribute it to the growers who were members of the board. However, the Minister has explained to me

personally that the money in the fund will be spent in research on vegetables. The fund made available for research will make a good contribution to that industry.

I am pleased that the Bill is before us. No longer do we have an onion board—

Mr Brian Burke: Onions are a terrible price now.

Mr NANOVIK: We have some problems with the Potato Marketing Board.

I noted some of the comments made by the member for Welshpool. He probably hit the nail on the head. The Act was introduced by a member who represented the biggest onion growing area at the time—the Spearwood area—where the major problems existed. Generally, the industry is better off now than it was when the board existed.

MR SKIDMORE (Swan) [3.07 p.m.]: I feel moved to say a few words on the Bill.

I support it.

MR OLD (Katanning—Minister for Agriculture) [3.08 p.m.]: I am also moved to say a few words—

Mr Brian Burke: Stop trying to strangle debate.

Mr OLD: I did not think the repeal of this Act would bring a tear to the eye of anybody, but obviously it has become an emotive issue. It is rather like the burying of an old friend.

The Deputy Leader of the Opposition must feel upstaged. He gave all the facts about the desirability of repealing the Bill, and then he found that there were many members who spoke at length.

As the Deputy Leader of the Opposition knows, a series of repeal Bills have gone through the House in the last two sessions. I have news for him. I have more to come, although he should not hold his breath waiting for them, because they might not come in during this session. However, I assure him that there are more to come.

Mr Evans: It must be like a new pin out there at Jarrah Road.

Mr OLD: Absolutely. I am making it comfortable for me for the next nine or 10 years, because I do not want to have all those old Acts hanging around my neck.

I thank members for their support, some of which was rather lighthearted—

Mr Jamieson: What about the other States' boards?

Mr OLD: I will come to that. Firstly, I wish to answer the Deputy Leader of the Opposition. I

knew that he would ask that question, so I came carefully prepared.

Mr Clarko: Was this board known for its "leeks"?

Mr OLD: Actually, it was a global-type operation!

Mr Brian Burke: Don't repeat yourself!

Mr OLD: The number of interjections indicates the importance of the Bill!

For the information of the Deputy Leader of the Opposition, I indicate that the amount of money remaining in the trust fund is \$20 356.63. I received that figure some days ago. I cannot give the daily rate of interest accruing.

The member for Mt. Marshall mentioned the concern of the President of the Market Gardeners Association. Let me say that a fairly long bow was drawn in the article he mentioned. There was a fair bit of poetic or journalistic licence used. However, there are some problems. I do not think any industry is without them, but I am convinced that the problems are not as great as those enunciated in the article to which the member for Mt. Marshall referred.

I say with a deal of sincerity that the support given by the member for Welshpool is most appreciated; and the remarks he made are pertinent. It is of interest to members of the House, and possibly to those few people in Western Australia who bother to read *Hansard*, that history is being made even in a Bill as small as this one. As the member for Welshpool mentioned, the Act led to the first move into orderly marketing in Western Australia.

The fact that we are repealing this Act does not mean we do not support orderly marketing—far be that from the truth; but this legislation has outlived its usefulness. To the best of my knowledge we are the last State to have such legislation; certainly that was the information given to me. It is many years since the Act has been used and its repeal has the full accord of the vegetable growing industry. The \$20 000-odd in the trust fund could not be applied to any other facet of the industry without the full support of the members of the industry; and we do have that support.

I thank all members for their agreement with the Bill and with little emotion I bid the Marketing of Onions Act farewell.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Old (Minister for Agriculture), and transmitted to the Council.

LITTER AMENDMENT BILL

Second Reading

Debate resumed from 6 August.

MR CARR (Geraldton) [3.13 p.m.]: This Bill is a rather inconsequential piece of legislation even by the standards we have become used to in this Parliament with this Government. The Bill makes very minor changes to the method of serving infringement notices and to the withdrawal of infringement notices.

In the second reading speech, the Minister made the comment that the amendments do not change the basic philosophy of the Government in regard to litter control. That is a great pity, because there is considerable scope for substantially amending the Government's philosophy which is embodied in the legislation. I would like to spend a little time talking about possible changes to that philosophy, but I know that you, Mr Acting Speaker (Mr Crane), would pull me up and bring me back to the subject matter of this Bill.

I have one query to ask of the Minister handling the Bill; it is a small query concerning clause 3 which deals with section 3 of the Act. Section 3 is an index of different operations of the Act, and it seems curious that it should be deleted. I am wondering what the reason is for this amendment.

Mr O'Connor: Do you see a need to retain it?

Mr CARR: I do not have any strong feelings about it, but it would seem to be of some use to a person who wished to study the Act. We in the Opposition do not have any objection to the Bill.

MR O'CONNOR (Mt. Lawley—Deputy Premier) [3.15 p.m.]: I thank the member for Geraldton for his support of the Bill. I regret that the Minister is absent, but I know members will appreciate the reason for this. My understanding of the Bill is that it cleans up the legislation and makes it more tidy. I will have the matter referred

to by the member investigated and the information relayed to him.

I thank the Opposition for its support of the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Connor (Deputy Premier), and transmitted to the Council.

**FACTORIES AND SHOPS
AMENDMENT BILL**

Second Reading

Debate resumed from 12 August.

MR PARKER (Fremantle) [3.18 p.m.]: The Opposition does have some concern about this Bill which makes a number of amendments to the Act, some of them minor ones. A number of these amendments are really tidying up provisions to bring up to date the references to other pieces of legislation which from time to time are mentioned in sections of the Factories and Shops Act.

The Bill includes provisions concerning the changed circumstances in relation to industrial agreements which no longer exist under the provisions of the Industrial Arbitration Act, so reference to them has been deleted except where they relate to the Commonwealth Act. A number of those minor matters are undertaken.

There are three major points in the Bill and they are contained in clauses 8, 10, 13, and 17. At the outset let me say the Opposition supports this legislation, but it requires clarification in certain areas. Some years ago amendments were made to the Factories and Shops Act which allowed late night shopping on Thursdays. As a result of the way in which those amendments were worded, owners of shops which sold fuel or automobile accessories and requisites were not permitted to open until 9.00 p.m. That situation was corrected by the Government by Order-in-Council; but had that not occurred, places like Coles and K-Mart would have had to shut their shops or have found some way to close off the portions of the shops

which sold those requisites in order that they could remain open on late shopping night.

However, we are concerned that the wording of the proposed new section 92 makes it impossible for garages or filling stations, as defined in the Act, to open until 9.00 p.m. on Thursdays.

At the moment the Automobile Chamber of Commerce, representing the filling station owners, does not want the right for its members to open until 9.00 p.m. on Thursdays. However, we are reaching the situation where a number of these automobile filling stations make little profit out of selling petrol and, therefore, to the extent that they make any money, they make it out of selling these requisites in the shop part of the filling station and on mechanical repairs. Presently a great number of petrol filling stations are being transferred to operate on a commission agency basis under which the person running the station receives a very small return on each litre of petrol sold and the only way in which he can make any income is by performing mechanical repairs or selling various items which the service station or oil company provides.

More frequently now than in the past we see the position in which many filling station owners are selling items which could not really be described as requisites. For example, the BP service station which I patronise seems to be full of "Smurfs".

Mr Bryce: Don't knock the "Smurfs".

Mr PARKER: I am not knocking them, but I doubt whether they come under the definition of requisites.

Mr Old: My granddaughter reckons they do.

Mr Bryce: If you have four children in the car they do!

Mr PARKER: They are certainly very popular with children and BP has obviously stumbled on a very successful manner in which to market them.

I have looked carefully at the wording of proposed new section 92 and it appears to me that if a situation were to develop where the Automobile Chamber of Commerce on behalf of its members or a substantial number of filling station proprietors, was to desire to obtain the right for filling station owners to sell requisites until 9.00 p.m. on Thursdays, it would not be able to do so.

We know the Automobile Chamber of Commerce does not want to have this right at the moment, nor do the filling station owners; but, bearing in mind that is one of the few ways in which they can make money, they may find in the future that their competitors who sell these

requisites, such as the Target stores, will continue to be able to remain open until 9.00 p.m. on Thursdays, but they will not be able to do so. If the filling station owners decide they want to retain whatever share of the market they might lose as a result of this restriction, they will not have the right to remain open, because of this amendment to the Act.

I imagine the Minister may say that there is nothing to stop his coming back with amending legislation later on.

Mr O'Connor: The Automobile Chamber of Commerce is very happy with this legislation.

Mr PARKER: I am aware of that; but perhaps there could be a greater degree of flexibility in the legislation, so that if they do change their minds and want to remain open until 9.00 p.m. on Thursdays, they will be able to do so and it would not be necessary to come back with another piece of legislation.

Mr O'Connor: They can in this case.

Mr PARKER: I am not sure whether they can; but it would be easier to do it on the same basis as it is done by other shops. It would be more legitimate if more flexibility was provided in proposed new section 92.

In the Committee stage I shall turn to some of our specific concerns with regard to the wording of proposed new section 92.

The other aspects of the Bill relate to the increase in penalties for trading out of hours. At the moment a considerable amount of controversy is being experienced not so much in Western Australia, but in Victoria, in particular, as to whether shops should be allowed to trade out of hours and whether shops in Australia ought to be able to do what shops in many other parts of the world, including Britain, do and that is to trade throughout weekends.

The Opposition's attitude is that shops should not be able to do this and I am pleased the Government's attitude is similar. In Victoria, where most of the controversy exists, there is a similar unanimity of understanding between the Government and the Opposition on that point, even though a number of big retailing operations are pushing for the ability to open for long periods at weekends.

Certainly from my own experience and from what I have heard elsewhere, in my own area the small retailers are opposed to the extension of trading hours and they say such a move would lead to increased prices and would not in any way increase the amount of trading they are able to do.

Mr O'Connor: I think you will find the unions also support that point.

Mr PARKER: The unions are also very strongly opposed to any extension of trading hours for the obvious reason that it diminishes the quality of life of the people they represent. I believe it is correct to say that both the Government and the Opposition feel trading hours in this State should not be extended.

However, I forecast considerable pressure will be exerted by people—big businesses, in particular—for the extension of trading hours. In the future it will not be easy for Governments of any ilk to withstand that pressure, because many of those people have access to large sums of money and they have the ability to propagandise. If one does not look at the situation too deeply, one finds it appears there is an argument in favour of the consumer to have extended trading hours. Some people would ask why they should not be able to go to a shop if the shopkeeper is prepared to stay open and trade. However, such a situation would result in an increase in the price of goods, because overheads, labour costs, and the cost of running the business would all increase.

Mr O'Connor: The consumer would pay for it in the long run.

Mr PARKER: No additional goods would be sold, but the same quantity of goods would be sold over a longer period of time; therefore, prices would rise.

It is unfortunate that the people who favour the extension of trading hours, and articles in the Press, refer to the convenience to the public which would be provided by such a move; but they do not refer to the inconvenience to people, not only the shopkeepers, but also the public at large in terms of cost increases.

I believe the substantially increased penalties will assist in reinforcing the point of view we have adopted, and I am pleased the Government adopts it also; that is, there should be no extension of trading hours. I should like to refer to a number of other minor aspects of the Bill—in particular, clause 17. Some people hide behind the operations of a body corporate. They have a S2 company engaged in retail trade, and if the Act is breached then only the company can be found guilty and be required to pay a fine from its assets, which often it does not have. Under this legislation it will not be just the company that is dealt with for a breach of the Act; it will be the principal or principals of a company, or the officers of a company—the people running it.

I take it proposed new section 116A will apply to the managers of a co-operative so that in the

event of a breach of the Act the managers would be responsible for any action. If that is not envisaged by the legislation, the Opposition would support a move to make the managers of a co-operative responsible for their actions. When we reach clause 17 I will ask the Minister about its wording.

Basically the point about which the Opposition is concerned is the ability of the average service station owner to remain in business. At the moment service station proprietors face an uphill battle. They are discriminated against by oil companies which dictate different wholesale prices to various filling stations. No longer do service station proprietors make enough money just out of selling petrol. Often they are faced with the problem of selling petrol at a higher rate than others because they are forced to do so by the oil companies from which they obtain their fuel supplies. In this way the proprietors lose retail trade because a smaller number of consumers enter their shops.

If the legislation in its present form goes through, and a flexible attitude is not adopted by the authority controlling this legislation, difficulties may arise. Filling station proprietors may find they cannot maintain their share of the retail market in relation to motor vehicle requisites merely because of the way the legislation is worded. The Minister referred to a way around such a difficulty, but I would prefer the legislation to be in a more flexible form.

On the basis of the remarks I have made I indicate that the Opposition will support the second reading of this Bill.

MR O'CONNOR (Mt. Lawley—Minister for Labour and Industry) [3.32 p.m.]: I thank the member for Fremantle for his comments and general support of the Bill. This afternoon we are having somewhat of a green-light run through the notice paper. It has been pleasing to see the Opposition and the Government working in harmony. It is interesting that the Bill which took the most time this afternoon was the Marketing of Onions Repeal Bill.

I must say I believe this Bill is important. The member for Fremantle touched upon most of the issues involved in it. On a number of occasions the Government has considered the matter of extra trading hours. When the issues relating to Thursday night trading arose it was apparent that during the extra trading hours stores dealing in automobile parts and spares were required by legislation to close off the section of their stores holding those parts and spares. This was an unrealistic situation and we needed to effect some

change. Obviously if a change were to be effected in regard to such stores, a change would need to be made in connection with rostered filling stations; they had to be permitted to operate in the same manner in regard to the sale of automobile parts and spares. People find it convenient to purchase such goods during the extra trading hours on a Thursday evening.

The extra trading hours have proven to be satisfactory and sufficient. Although pressures have been brought to bear upon the Government, as pointed out by the member for Fremantle, to extend the existing hours of trading to make them virtually unrestricted, I do not believe such a move would be beneficial to employees, employers, or consumers. The cost of retailing goods would increase. In the long run the consumer would be caught up with increased prices—eventually he is the one who must pay. Such things had to be taken into consideration when trading hours and, in particular, this legislation, were being studied. Whilst we must have reasonable trading hours, we must ensure consumers pay only the minimal amount necessary for the goods they require.

The comments made by the member for Fremantle and by me would be supported by the Retail Traders Association, by unions generally, by the Western Australian Automobile Chamber of Commerce, and by the majority of people in the community. It would be nice for us to be able to say that at any time of the day or night people can purchase any commodity. However, if we did that, the costs of goods would increase dramatically, and that would change the views of people who would support such a move. Certainly the people who cannot afford to pay more for their goods would have their views changed.

Filling stations play an important part in our community. As the member for Fremantle pointed out, filling station proprietors have experienced a fairly torrid period. Most of them cannot survive purely on the sale of petrol. It is only by odds and ends that they survive. Some stations have restaurants attached to them, and some sell automobile spares and batteries. I must add that in the field of spare parts, batteries, etc., supermarkets are taking much trade from the filling stations and decreasing their capacity to earn a reasonable income. The supermarkets have been able to do this by buying in bulk and, therefore, selling at lower prices.

Mr Parker: I can understand why the large retail traders do not want service stations to compete with them during late-night shopping.

Mr Skidmore: The service station proprietors are trying to make a living just by selling petrol, and do so over many hours.

Mr O'CONNOR: The point has been noted; however, no request from the Automobile Chamber of Commerce or individual service station proprietors was made for any changes other than those proposed. I know many proprietors work from 6.00 a.m. to 6.00 p.m., which is a fairly long run. Most of them feel that the Thursday night trading alone is satisfactory. In fact, the reduction in hours for rostered stations has not seriously affected the service to the public. It was felt that people requiring petrol after 10 o'clock were a small section of the community. In many cases the rostered service stations were used only by joy-riders between 10.00 p.m. and 12.00 p.m. so that they could obtain \$1 or \$2 worth of petrol.

When we considered decreasing the hours for rostered stations we consulted the Royal Automobile Club and the Main Roads Department. We conducted a study over quite a lengthy period to ascertain the type of people purchasing petrol from rostered service stations after 10.00 p.m. We wanted to ascertain the amount of petrol purchased and whether any inconvenience would be caused to the public by our reducing the closing time to 10.00 p.m. Since the closing time has been brought back to 10.00 p.m. I have not had one complaint about the new hours. I do not know what the position has been with other members, but I have not received one complaint. Service station proprietors and their employees are able to go home a little earlier. They work normally with not much time to play with—the hours are tight.

The member for Fremantle referred to extended trading hours operating in the Eastern States. The extended hours have caused many problems, and I know in Victoria it has been found that the hours have worked to the disadvantage of small businesses and to the advantage of major stores. The major stores operate on smaller margins than small businesses, and employ young staff.

It is quite ridiculous to suggest that a company or co-operative cannot pay a fine of \$5 or \$10. If a company is a \$2 company and cannot pay a \$10 fine that company must be badly organised or organised specifically so that it cannot pay a fine it ought to pay. I am glad the Opposition supports the move to ensure directors or officers of such companies will be required to do that which they ought to do.

I thank the Opposition and, in particular, the member for Fremantle, for their support of the Bill.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Mr Blaikie) in the Chair; Mr O'Connor (Minister for Labour and Industry) in charge of the Bill.

Clauses 1 to 7 put and passed.

Clause 8: Section 61 amended—

Mr PARKER: This is simply a query. This clause amends section 61(2)(c) of the principal Act by doubling the penalty for a breach, but no increase in the penalty is proposed in the case of a continuing breach. The Act provides a penalty of \$200 for a breach, and then \$20 or 10 per cent of that for each day of the continuing breach. The Government proposes to amend the figure of \$200 to \$400 for a breach but has not changed the daily penalty rate. I wonder whether this was an oversight or whether there was a deliberate reason for the Government making this decision. If the purpose of some of the provisions of this Bill is to increase the amount of money that can be levied against shop owners if they are found to be in breach of the law, then it would seem that the daily rate should be increased as well.

I agree with the Minister's comments during his second reading speech last week that it is disturbing that magistrates have seen fit to impose such low fines for breaches of the Act. The fines have been much less than the existing levels of penalties provided for even second, third, or subsequent offences. One would hope that the judiciary would take note of the views of the Parliament and increase substantially the amounts of fines awarded against people found to be in breach of the law.

It did seem to me to be logical to increase the figure of \$20 to \$40 in clause 8.

Mr O'CONNOR: I discussed this with the department at the time. It was felt that if we could impose reasonable fines in the early stages it would overcome the problem involved. In many cases, after a fine is imposed the person concerned does not usually continue with the particular offences. Most of these offences are in connection with health, sanitation, or safety. There are other Acts under which they can be charged through the Public Health Department if it becomes a real problem.

I support the remark made by the member for Fremantle in connection with breaches of the

Factories and Shops Act. Sometimes one person will have had as many as 100 convictions and the fine each time has been around \$5, which is quite crazy, in my opinion. Unless we can impose realistic fines in the early stages, I do not think we can bring some of these people back into line. It is believed if we can get the initial fine increased, the problem will be overcome. If there are any serious breaches we can use health legislation.

Clause put and passed.

Clause 9 put and passed.

Clause 10: Section 92 repealed and substituted—

Mr PARKER: This is the clause the Minister and I have been speaking about concerning the way in which filling stations will be able to operate under the obligations and restrictions imposed upon them. In general terms, the proposed new section 92 of the Act will improve substantially the way in which the Act is set out. We have no strong objections to it.

The Minister in his second reading reply has cleared up for me a number of the issues that were of concern. There are others I wish to deal with. There are a number of new definitions which do not seem to present any problem. I fail to see why it is necessary to put in an Act a definition of the words "paragraph" and "subsection". I would have thought that could be included in the Interpretation Act or some other general Act covering all Acts of Parliament.

Mr O'Connor: Can I answer this while you are standing? We were advised to do this by the parliamentary draftsman for legal reasons. I cannot give you any other reply.

Mr PARKER: The parliamentary draftsman has been known to be wrong in the past. We have had to come back here and correct some of his work. If every Bill that comes before the House is to have a definition of the words "paragraph" and "subsection" in it we will be spending a lot of time and effort doing something which is irrelevant. It does not bother me apart from that.

I am now referring to proposed subsection (2) of proposed section 92 which starts at the bottom of page 5. The amendment adds the words "shall not sell or allow to be sold fuel or requisites". In the Act the clause did not include the words "or requisites". In other words, it would have been theoretically possible for the owner of a filling station to have opened that portion of his filling station which was not involved with the sale of fuel and so be able to compete in that respect with the general retailer, subject to the same considerations and restrictions. We have no

objections or complaints about that. It does seem to be an additional restriction which is imposed upon a service station operator that he is no longer able to do that. I appreciate that they do not appear to want to do it at the moment, but it does take away some flexibility.

One might say, "How many filling stations would be in a position to open only that portion of their shop which relates to requisites?" I imagine the word "requisites" would probably include such things as the servicing of vehicles, batteries, and so on. Now it does not appear to be possible to do that. I ask the Minister to give me some explanation.

Paragraphs (a) and (b) of proposed subsection (8) seem to preclude the possibility of garages selling goods other than motor vehicle requisites. It appears that many of these service stations are trying almost anything to get some trade and turnover so they can make a little profit out of the station, and very understandably so. I have referred already to the Smurfs in the BP service stations. Some service stations sell cool drinks and other things. When I read the provision I was concerned at the implication there that these service stations would be precluded from selling those goods. That would cause me some concern, bearing in mind, as I said, that we believe it is very necessary to support service station operators and provide them with as much a possibility as we can to make a decent income.

Mr O'Connor: My understanding in regard to the points made by the honourable member for Fremantle is that service stations will be able to sell any requisites up until 6.00 p.m., and no later than that. This will not preclude them from servicing vehicles after that time behind the selling station or in the shop where servicing is normally carried out. If one of their operators wants to service a vehicle, that would be all right. He would not be able to fill it up with petrol or anything of that nature. That would have to be done before 6 o'clock. In the rostered station area, of course, any commodities normally sold up to 6.00 p.m. will be able to be sold while a service station is on roster.

I think that is one of the points the honourable member wanted to know. They will be able to sell any of those commodities up to the 9.00 p.m. roster period.

Mr Parker: The roster period—10 o'clock period?

Mr O'Connor: Yes. Roster stations will be able to sell up to that time under normal circumstances. I think it does cover all that period. There are restaurants apart from that

which are usually in another section. It would not preclude them from operating that section also. What they are precluded from doing is selling fuel and operating in their servicing section after 6 o'clock unless they are on roster when they can sell any of the commodities they normally sell. Does that answer the question?

Mr Parker: Yes.

Clause put and passed.

Clauses 11 and 12 put and passed.

Clause 13: Section 93C amended—

Mr PARKER: In his second reading speech the Minister indicated that this clause was intended to remove the responsibility of newspapers and other parts of the media from the obligation to check whether or not an advertisement conformed with section 93C of the Factories and Shops Act.

I appreciate the point the Minister made which is that there may be difficulties because there are many newspapers filled with advertisements and the task of checking would be difficult.

Of course the wording of the Act does not relate to advertisements only. The very broad brush includes newspapers as well as anyone who seeks to advertise in this way. Whilst the effect of the proposed amendment would be to remove that obligation from newspapers it seems to me that it could be subject to abuse because of the way it is worded. It could also be seen to remove a whole range of other people from this obligation. The proposed amendment quotes a shopkeeper or his agent and that could mean the shopkeeper, or someone wishing to breach the law, would be able to get someone who was not identifiable as an agent to insert such an advertisement.

The question of proof would come in then and I could imagine people may wish to circumvent this law by getting all sorts of people, not connected with them, to insert advertisements. Also, the shops and factories inspectors would have an arduous task in trying to prove a person was an agent of the shopkeeper.

Whilst I appreciate the desire to remove the obligation from the newspaper proprietors and other media proprietors, on the basis I have mentioned, it would seem that perhaps it would have been better to have made a specific exemption for them under section 93C of the Act rather than to eliminate the general restriction.

Mr O'CONNOR: This clause removes from the media the obligation to monitor advertising. However, as the member for Fremantle quite rightly pointed out, we have many agents involved in this area who insert advertisements on behalf of certain shopkeepers. The agents give the full

details of the advertisement to the media and it would be difficult to monitor such a large number of advertisements. Some of the responsibility must come back to the area involved. On many occasions if the media people notice that the advertisement does not conform to the Act it is rejected. However, some do get through through no fault of the media and a penalty has been imposed on them for a breach of the law.

When drafting this legislation the Crown Law Department felt the term should be the "shopkeeper or his agent", thereby covering all involved, because the agent is the person who places the advertisement.

It was felt that this clause would cover the areas required, but if at a later stage it is felt that an amendment is needed it will be made. However, I have been informed that this will not be necessary because the clause covers all that is required.

Clause put and passed.

Clauses 14 to 20 put and passed.

Schedule put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Connor (Minister for Labour and Industry), and transmitted to the Council.

PLANT DISEASES AMENDMENT AND REPEAL BILL

Second Reading

Debate resumed from 13 August.

MR EVANS (Warren—Deputy Leader of the Opposition) [3.57 p.m.]: There is a limit to the tolerance of the Opposition in all things and we have just reached that stage with the measure which has been brought before us today. This Bill, to amend the Plant Diseases Act, has as its purpose the repeal of the Plant Diseases (Registration Fees) Act and it makes provision for surveys to be the basis for the establishment of a roll of electors when a fruit-fly baiting scheme is to be established or when its continuance has been contested.

The reason for this legislation is that the cost of the collection of fees for the registration of

orchards equals the amount collected. In the first instance, it is not good business to proceed with the present system and the Minister has claimed that the information provided by the registration is inadequate for the purpose of establishing schemes or continuing them. That is perfectly understandable because over the period of the last seven years or so, many people have changed their homes and as a consequence the registration scheme has fallen into disarray.

A practical alternative would be to take a survey of fruit growers and define the voting entitlement of the growers. Another reason provided for the repeal of this Act was that the Minister would be able to resolve disputes.

I do not know whether that is a sufficient safeguard. However, it is something that needs to be looked into. The penalties are to be increased from the range of \$20 to \$200 to the range of \$400 to \$2 000, but this is only catching up with present day prices, and costs, and the inflationary trends.

The final reason given for the measure was to strengthen the powers under section 23 with regard to imported agricultural produce. This is quite desirable and I would imagine it could be extended to cover other pests as well as fruit fly. It is a difficult position because this is the only legislation we have had that gives any protection or assistance in the eradication and control of the fruit fly. At least it does give some protection, even though it is inadequate.

For this reason the Opposition is placed in the situation whereby it cannot directly and completely oppose the Bill before the House. However, I must say a few things about the Government, the Government's attitude, and the overall control of fruit-fly pests in Western Australia at the present time.

My main criticism is directed at the performance of the Government, in its poor effort to control fruit-fly and this is demonstrated in a number of ways—the overall general attitude displayed by the Government in all similar matters.

The Government's expenditure on fruit-fly baiting schemes has been decreased. Questions I have asked over the past few weeks reveal that in 1977-78 the expenditure was \$73 653, in 1978-79 it was \$58 252, and in 1979-80 it was \$51 779. These figures show a gradual decrease in the amount of finance expended on fruit-fly baiting schemes. A further reflection on the Government is that the number of schemes has decreased. In 1967-68 there were 48 schemes in operation and in the past two years the number has dropped to

27. I understand there are several schemes which are in abeyance at the present time in the hope that the existing situation improves, but they could scarcely be described as vital active fruit-fly baiting schemes.

The third point is that the number of prosecutions has diminished over a number of years to approximately one-fifth of the original number. I asked the Minister, by way of question, for the number of prosecutions in connection with fruit-fly offences, and his reply was that in 1978-79 there were 331 prosecutions; in 1979-80 there were 192 prosecutions; and in 1980-81 there were 66 prosecutions. This shows that the prosecutions have decreased by about four-fifths in a matter of three years. It does not take an international Rhodes scholar to know that the Government's attitude is not sincere in the matter of fruit-fly control. The Government is not dinkum and is making a mockery of the whole position. Over yonder I can see a smile on the face of a member from the hills; I am sure he would be able to give a fairly accurate account of the attitude of commercial growers. Nowadays commercial growers are able to maintain their own commercial operation without worrying too much about fruit-fly in neighbouring residential areas. With their modern sprays and spraying methods, they maintain a regular programme of alternate rows and so control the pests.

Mr Spriggs: They are good efficient growers.

Mr EVANS: In achieving those improved results it is in their interest to see a reduction in the fruit grown by homegrowers, and no doubt this is reflected in the market place. The more people that do away with fruit trees in the metropolitan area the happier the commercial fruit growers will be. I take it my summation meets with the approval of the member for Darling Range.

Mr Spriggs: Yes.

Mr EVANS: I point out to the member who was so helpful by way of interjection that this is not always going to be the case. Unless an overall control of fruit-fly is achieved we will not meet the requirements of the Japanese market.

The experiment being conducted in the Carnarvon district with cobalt treated sterile male fruit-fly has shown good indications of success but whether it could be applied generally remains to be seen.

The fruit-fly is a tenacious creature and can exist in a whole range of hosts, including rose bushes. That is probably the most extreme illustration I can give of its tenacity.

One has only to take a trip along any of our country roads to see a number of feral fruit trees.

These trees had been planted when a house was built and occupied but once the house was demolished, all that remains are the trees. The problem is one that will not be overcome readily and while the attitude of the member from the hills is understandable it is a little short-sighted because while it allows the growers to receive reasonable prices, on the local market, it does not do much for the expansion of the fruit market overseas and this is something which needs to be considered at some depth.

It is interesting also—and one could philosophise on the change of attitudes—that the Minister for Transport was one of the greatest exponents of the fruit-fly baiting scheme but he seems to have lost that interest.

Mr Old: It is because of the decreased mobility of the fly.

Mr EVANS: He has fouled up the rest of the transport system. He may as well have fouled up the mobility of the fruit-fly as well.

Mr Rushton: You are making an unkind and untrue statement. You may like to retract.

Mr EVANS: Yes. I should know fruit-fly are difficult to ground. I go back to the attitude that was expressed by members opposite when a very sincere and wholehearted attempt was made to reconstruct the fruit-fly baiting system. It was opposed loudly by some of the members opposite.

One of the most vocal in this respect was the now Minister for Transport who spoke at great length and most resoundingly and had very little of a favourable nature to say about the manner in which the then Government was endeavouring to resolve that difficulty. As I have already pointed out, he is now remarkably taciturn on this same question.

Mr Old: He has mellowed.

Mr EVANS: Mellowed, nothing; he realises that the Government has got itself into such a mess that he simply wants to throw up his hands in horror. I just wanted to make that point.

Mr Bryce: And you made it very well.

Mr EVANS: The fruit fly do not look like being grounded, either.

The Government has done a fairly good job in creating a shambles in the existing schemes. It is accepted now that even a poll of growers cannot be obtained. The only way the Minister considers it can be done is for a survey of a particular area to be carried out.

We accept the Minister's reasoning for the necessity of this legislation. However, the Opposition confidently predicts that every couple of years—as it has in the past—this piece of

legislation, and the Plant Diseases Act, will reappear before the Parliament for fairly massive surgery or at least for substantial changes to its operation. Gradually, as the number of schemes becomes fewer and fewer and the Government contribution gets less and less, it will reach the stage where the Minister will say, "We can no longer see any justification for proceeding with this scheme; we have only half the number of schemes we had a matter of only seven years ago. We are decreasing the number of inspections in connection with fruit fly and its attendant eradication, but if we increase the penalties we can control the introduction of the disease from the Eastern States."

For those reasons, I reiterate that the Government is not dinkum about this legislation. It is allowing it to grind along, making fools out of good people who are endeavouring to run the schemes without receiving any practical assistance from this *laissez-faire* Government.

I hope the commercial growers never have cause to be sorry that they did not press on with programmes aimed at the eradication of fruit fly. They have it made at the moment, because technology has assisted them and they are taking advantage of it. I am never one to say, "Serves you right", but in the long term I believe I would be entitled to say just that. There is no way we should discontinue the very limited amount of protection which exists today by way of the fruitfly baiting schemes; it is the only protection available to commercial growers.

Because of the inadequate way fruit-fly control is being handled I believe it is fair to ask whether or not the people of this State are receiving a fair return from the money expended on the control.

For those reasons, the Opposition is obliged to support this legislation. However, we resoundingly condemn the Government for its weak-kneed, lily-livered approach to a problem which needs serious attention.

MR McPHARLIN (Mt. Marshall) [4.15 p.m.]: I understand that the Bill before us has been brought forward after consultation with the industry. I imagine the department has very good reason for wishing this legislation to be repealed. In addition, the Minister for Agriculture would not have presented it without thorough research.

Mr Evans: I do not think the industry is too worried.

Mr McPHARLIN: The Deputy Leader of the Opposition has said that although he does not oppose the Bill he has some reservations. As the Minister for Agriculture pointed out in his second reading speech, provision is being made for

surveys to be conducted because the registration of orchards no longer serves a useful purpose. It is interesting to note that the cost of registering orchards and storing the information not only is time consuming, but also has reached a point where it is equivalent to the total receipts. So, it appears there is sound reason for revision of the fruit-fly baiting schemes.

When a survey is conducted, the department must establish the qualifications of the voters and their voting entitlements and define the rights of voters in the industry.

Disputation can arise from time to time as to how a ballot is conducted and an amendment to the legislation will allow disputes to be taken to the Minister, who will be given the power to resolve the matter.

I was quite interested to read the Minister's second reading speech as it related to the matter of penalties. The Minister mentioned that a truckload of fruit today could be valued at more than \$10 000. I am sure we all agree the existing penalties of from \$20 to \$200 are quite outdated; they provide no deterrent to people not to comply with the quarantine requirements. So, because of the risks involved in introducing pests and disease to the industry, it is thought desirable that the penalty be increased to a maximum of \$2 000.

The Minister pointed out that checkpoints were established at rail and road depots, airports, and at Norseman.

The Norseman checkpoint is a most important one in relation to interstate transport by road. I have inspected that checkpoint and I have seen the semi-trailers coming in after a long, tiring trip. The drivers are not always very amicable about the necessity for checking or control. They can be quite irritable, and sometimes the officers are placed in a difficult situation.

However, the law has to be enforced. We cannot allow unwanted, unnecessary diseases and pests to come into the State. The rail depots are checked thoroughly.

One matter with which I would like to deal, although it is not a pest or disease, relates to skeleton weed; a noxious weed which is causing some concern. The checkpoints should be used for checking the entry of this weed. I have been advised recently that there are constant outbreaks of skeleton weed along the east-west railway line, so there has to be a continual checking of the trains and the lines. All of these things are important to our agricultural industries.

This Bill is a step in the right direction, and is needed. Although criticisms have been levelled at the administration of the baiting schemes over the

years, there could be reasons for their not having operated as efficiently as they should have. Perhaps the people involved may have some blame attaching to them, and perhaps some blame may be attached to the inspectors. Whoever is liable for the blame, it appears that the schemes have not been as successful as they should have been.

The Bill appears to be a way to make people more concerned about the problem and more interested in making a success of whatever regulations may be applied.

I support the Bill.

MR JAMIESON (Welshpool) [4.22 p.m.]: This is another of my favourite agricultural portfolio debates as it deals with fruit fly. We will never reach the stage when we eliminate this pest, unless it is done on the basis of the State's attacking the problem in the same way it attacks things like diseases affecting human beings. The State sets about that sort of thing in no uncertain way, until the diseases are eradicated. That is what happened with tuberculosis. We use all the forces of the State to do this sort of thing. If rabies or blue tongue is detected, the whole State is organised to make sure that the disease is eradicated, and the cattle industry is protected.

However, when we have a disease introduced in the form of a scourge to plant life, we only half-attack it. We rely on individual farmers and growers to do something about the situation. As my deputy leader said, one wonders whether we are fair dinkum about this. Perhaps the farmers want the situation to remain, because it is possible to sell more fruit.

I do not want to be callous and make allegations like that about the growers; but we do not really know what they are doing to the fruit they produce. They are not supposed to spray the fruit within a certain time of marketing; but there is no proof they do not. There is no way of telling unless one inserts a needle into each piece of fruit and analyses the contents of it. There is no way that we can tell what has happened to the fruit that is ingested by the people.

The Mediterranean fruit fly has been with us for a long time. We have seen its incursion into fruit crops in the United States of America. We have heard about the big "Med" fruit-fly problem that has existed in California where the problem has grown to the extent that the State of California is using helicopter brigades to spray everything in sight. Now the tomato growers are upset as there are no longer any bees to pollinate the tomatoes, because the bees have been killed.

Mr Davies: It is almost war now. Some of the farmers are taking pot shots at the planes.

Mr JAMIESON: Now the fruit fly cannot be attacked with chemicals, it appears that the only solution is a biological form of control. No individual grower can do that sort of thing. It has to be done by the State, on behalf of all the people in the State. The sooner we reach that stage the better.

Yesterday I attended a reception for the new Ambassador for Israel. Comments were made about the fact that we import more from Israel than we export to that country. Perhaps if that had not been the case some years ago we would not be facing our present problems. We imported grapefruit from Israel, and we imported the fruit fly in the grapefruit. Israel seems to have conquered its fruit-fly problem, because the fruit we receive nowadays is clear. We have to be very careful about what is brought into the country.

We are very careful about animal diseases. I know that smallpox has been eradicated now; but if any trace of smallpox were found, we would have to eradicate it. We would have to overcome the possibility of its spreading among the masses.

We have fooled around with the fruit-fly business for so long that we are not really able to say we have made any progress with it. However, in South Australia, when they have had infestations, they have taken rather drastic action on a State-wide basis immediately. If one is growing a few tomato plants within a certain radius of the outbreak they will be removed. Such measures have controlled fruit fly effectively.

We are not prepared to do that sort of thing. The situation in this State is too widespread for that type of action to succeed. The member for Warren has indicated on occasions how widespread the problem is. When the Department of Agriculture officers have been in forest areas and found it necessary to refuel their vehicles, as soon as they have started to pour the fuel in, fruit flies have appeared. The petrol seems to attract the fruit flies and sometimes the officers have found two or three fruit flies sitting on their hands.

If the problem is as widespread as that, the fruit fly must be using natural vegetation as its host. Because of that, the situation needs more study, and some form of effective biological control, which must be as widespread as possible and put into effect as soon as possible. There is no point in people growing fruit and then finding themselves in the position of not being able to harvest any of it.

I have often told the story that where I am living in Belmont, I had a couple of loquat trees, but I never had fruit flies in them. However, when there was a programme of spraying to control fruit fly in the metropolitan area, I found that the fruit flies were attracted to my trees. Previously there were no fruit flies, but now one is lucky if one is able to get a loquat off the trees.

I point out also many Government-owned properties had what the member for Warren referred to as "feral fruit trees" on them. I do not know how "feral" they are, but they certainly have not received much attention.

Leave to Continue Speech

Mr JAMIESON: I move—

That I be given leave to continue my speech at a later stage of the sitting.

Motion put and passed.

Debate thus adjourned.

MINING: DIAMONDS

Marketing and Royalties: Grievance

MR HARMAN (Maylands) [4.31 p.m.]: My grievance concerns diamonds. Yesterday I raised the issue of the marketing of diamonds by the Ashton joint venturers from their Kimberley deposit. The issue was brought into focus by the media reports that the Oppenheimer family is seeking to gain control of the diamonds by buying all diamonds produced through its own central selling organisation.

This would mean, firstly, the Oppenheimer family would buy through this organisation, at its price, and charge a fee which is asserted to be 25 per cent of the mine's profits. Secondly, it would mean no processing would take place in Australia. Thirdly, it would mean the true value of the diamonds would be distorted and may even be unknown. This could reduce drastically the royalties this State would receive. In other words, the expected return in the form of royalties and processing to Western Australians would be lost, if the central selling organisation achieved its objective. It would be lost as a result of a giant rip-off by the South African Oppenheimer family.

What is the Government, both here and in Canberra, doing about it? Today I understand the Acting Prime Minister answered a question in this regard and said he knew nothing about the proposed marketing arrangements. What a dreadful admission for him to make!

Sir Charles Court: It happens to be a Western Australian project.

Mr HARMAN: He happens to be the Acting Prime Minister of Australia. He does not know anything about the proposed marketing arrangements—arrangements which would drastically reduce the royalties coming into this State and which would result in no processing being carried out in Australia.

What is the situation in Western Australia? When I referred the Premier to the media reports yesterday evening, he indicated he had not even read them. He was content to add that the Government would negotiate with the Ashton people to seek "the maximum benefit from the sale of diamonds". Saying that and achieving it are two different matters.

In fact, Sir, if you look back through the history of resource development in Western Australia, you will see the path is littered with broken assurances, errors of judgment, absolute financial blunders, and a great exodus of funds generated through resource development in this State to shareholders of foreign-owned companies. That is the history of resource development in Western Australia.

Therefore, we have to ensure that at least in this case, with possibly the biggest diamond-mining operation in the world about to take place in the Kimberley, we do the right thing for Western Australia.

Sir Charles Court: Have you changed your policy since you were in Government when you gave a 12-year extension to an overseas company in respect of Mitchell Plateau?

Mr HARMAN: The Premier can tell me more about that in a couple of weeks' time when I refer to that issue.

I am not prepared to sit back and relax, as the Premier suggested last night, until this Government organises an agreement with the Ashton joint venturers. In view of the past history of this Government's performance in negotiating agreements, I am not prepared to sit back and relax and neither are other members on this side of the House.

Opposition members: Hear, hear!

Mr HARMAN: We will use every device to ensure that at least in this case a satisfactory agreement is negotiated which will do what we hope this Government has in mind; that is, maximise the benefits to Western Australia.

We have a number of specific questions we should like to ask the Premier. Firstly, we want him to investigate the influence of the Oppenheimer family upon the Ashton joint venturers. It is asserted that the Oppenheimer

family has a great interest in the parent company of CRA. It is asserted also that the Oppenheimer family has a great interest in the other joint venturer, the Malaysian Mining Corporation, and as that company controls the Ashton joint venturers except for a 5 per cent interest, it can be seen the influence of the Oppenheimer family must be very substantial.

We also ask the Government to investigate the position of the Northern Mining Corporation which holds a 5 per cent interest in the diamond mine. That corporation is Australian-owned and at present the Bond Corporation holds a 20 per cent interest in it. As I understand the situation, Alan Bond is endeavouring to take over Northern Mining Corporation. I ask you, Sir, for what purpose? Is he really dinkum? Does he really want Northern Mining Corporation to establish a cutting and polishing industry in Australia, or does he see it as an opportunity to make a quick quid? That is something this Government ought to look at, because it is possible for that person to make a quick quid if he wishes to do so.

We ask the Premier also specifically to investigate whether the venturers have looked at alternative options to that of selling through the Oppenheimer-controlled central selling organisation. As we have such a large and valuable deposit, we would be in a position to break through the market at prices above those of the central selling organisation, thus reaping substantial benefit for Western Australia.

In recent times we have seen in Press reports that the Russians are in a mood to opt out of the central selling organisation. At the very time the Russians are endeavouring to opt out of the Oppenheimer organisation, there seems to be an inclination on the part of the Ashton joint venturers to go into the central selling organisation.

We must look at the options. It may well be the central selling organisation is our only option; but I do not suggest that is the case and we will not know the position until the matter has been investigated by the Government which will make this agreement with the Ashton joint venturers.

Based on the information I have gained from reading about diamonds, it appears the Kimberley deposits have the potential to become the biggest diamond mine in the world. That would mean a tremendous amount to Australia and, in particular, to Western Australia, if it is handled correctly.

I ask the Government: For God's sake do this at once. We have a great opportunity to obtain some

benefit for Western Australians. Therefore, let us ensure the matter is handled correctly.

MR P. V. JONES (Narrogin—Minister for Resources Development) [4.39 p.m.]: As the member for Maylands is probably aware, the points he made—

Mr Bryce: Excellent points!

Mr P. V. JONES: Whilst the member for Maylands has brought all his points together in a grievance debate, I point out he has been provided with some information already and he also has three questions on the notice paper today, the answers to which will give him a little more information.

It is curious to note the member for Maylands has taken such an interest in the matter bearing in mind the agreement to which he referred, and which he asks the Government to scrutinise, will in fact be subject to ratification by this Parliament.

Mr Bryce: How can it be varied? The way you bring agreements here means they cannot be varied. It will be a *fait accompli*.

Mr P. V. JONES: As the member for Maylands is not only well aware, but has also been advised, the agreement will provide for the matters he raised. The member for Maylands asked whether the Government will ensure that it investigates all these items.

As he is aware and as the House perhaps would be interested to know, this has been going on for a very long time.

Mr Brian Burke: How long?

Mr P. V. JONES: The Government last year sent one of its officers to South Africa to study the legislation that prevails in that country regarding control and management of the diamond industry.

Mr Brian Burke: That is not the point the member for Maylands was on.

Mr P. V. JONES: In April last year I visited the central selling organisation in order to try to get some knowledge of exactly what work was undertaken and the way in which the diamond trade is administered on a world basis. The member has based his remarks upon a study report which he referred to the Premier in a question without notice yesterday. What the member did not say—and I do not draw attention to this except in order to refer to another item that was in the newspaper—is that it referred to a report which was leaked. I make it quite clear that the report that appeared in the *Daily News* on Monday evening not only was incorrect in certain assumptions that it made, but also had

been published in *The Age* last Friday or Saturday and had been refused by one or two other publications—

Mr Harman: *The Sydney Morning Herald*.

Mr Brian Burke: Are you saying *The Age* is not a reputable newspaper?

Mr P. V. JONES: Let me make it quite clear to the member for Balcatta that whatever *The Age* publishes is its own affair, but in this case it was prepared to publish, as was the *Daily News*—

Mr Harman: And *The Sydney Morning Herald*.

Mr P. V. JONES: —a leaked report which was incorrect in its basic information, a report which fell off the back of a truck.

Mr Brian Burke: Which publications refused to publish it? Tell us.

Mr P. V. JONES: Reference has been made to—

Mr Brian Burke: Who refused to publish it? Come on!

Mr Evans: Which ones did you ring?

Mr P. V. Jones: —Mr Bond and his company.

Mr Brian Burke: Who refused to publish it?

Mr P. V. JONES: I think the term "to make a quick quid" was used. I would suggest to the member for Maylands that the boot is on the other foot and the person or company which stands to make the "quick quid" is the one that is trying to operate an inflated share value by suggesting certain quantities of diamonds, carat value and certain qualities and percentage of gemstones to industrial stones in order to present a picture which not only does not exist at the present time but also does not reveal all of the information that was contained in other reports which I understand were available to one of the joint venturers, Northern Mining. How can those suggestions be verified with the amount of exploration and testing work that has been done? However, enough information exists to say quite clearly that the leaked report is very selective in the information it quotes from the various test bores. One of the reports produced to that company by one of the consultants it has retained has, interestingly enough, not been selectively leaked.

Mr Brian Burke: Who refused to publish? You made the statement.

Mr P. V. JONES: The point I want to make is this: It is too early in the life of this project to assess accurately the quality and quantity of the resources.

Mr Brian Burke: Come clean! Who refused to publish? Come on!

Mr P. V. JONES: The discussions which are going on at the present time will provide two things.

Mr Brian Burke: The Minister makes statements and cannot back them up.

Mr P. V. JONES: The maximum benefit to Western Australia comes in two forms. One is a cash return, and the other is the processing of applications. These must be intertwined because we have to allow for the fact that I indicated—and the member for Maylands has quite properly drawn it to the attention of the House also—that the extent of the resources and their value is unknown. Therefore, not only must we have a basis on which a cash return can be assessed, but also, we must have some processing obligations that are realistic in both terms of time and capacity of industry not only to generate the skills required, but also to absorb a certain amount of diamonds within the home consumption market. There must be also a factor which allows for a resource that may very well prove to be not only longer in life than anticipated, but also more valuable. That is exactly what we have taken advice on.

Mr Harman: Did the central selling organisation when you saw them last year tell you that it wanted to buy all the diamonds?

Mr P. V. JONES: No.

Mr Harman: How much did it want to buy?

Mr P. V. JONES: It did not give a figure. We are not talking about that.

Mr Harman: That is what I was talking about.

Mr P. V. JONES: I know the member was. I am not and neither is the central selling organisation.

Mr Brian Burke: Who refused to publish? Come on!

Mr P. V. JONES: We need to be sure that we know what we are talking about when we are referring to this particular form of processing.

Mr Harman: I was talking about publishing.

Mr P. V. JONES: We are talking first of all about the classification of gemstones and industrial diamonds. Then it moves into the units within those particular classifications. Downstream, we are then moving into the area of cutting, polishing, and so on. The Central Selling Organisation is not really involved in cutting and polishing, as the member for Maylands undoubtedly would be aware.

Mr Harman: A little bit.

Mr P. V. JONES: Where this is concerned, it is involved minimally. The last point I want to make is this: if in fact the resource is as large as the member for Maylands suggests, and I know—

Mr Harman: You know it is.

Mr P. V. JONES: —his suggestion is based on the information he has read—

Mr Harman: You know it is too.

Mr P. V. JONES: —the relationship which that resource, together with the other diamond mines in the world, will have to the total capacity of the world to absorb the diamonds will cause a tremendous deflation in the price. We have already seen that where industrial diamonds are concerned.

Mr Brian Burke: That is good. Do you want to keep prices artificially high?

Mr P. V. JONES: The resistance of the Opposition on the matter is well known. We have a situation where a very exotic kind of project is drawing attention, but not all of that attention is favourable. A certain amount of attention is quite definitely generated for purposes which have no relationship whatsoever to the development of this resource in the long run, but have more relationship to the generation of share values and the making of an impact on the market—what the member for Maylands has referred to as the “quick quid”.

HOUSING: INTEREST RATES

Relief: Grievance

MR CRANE (Moore) [4.48 p.m.]: The subject of my grievance this afternoon is my concern over the escalating cost to those people wishing to procure their homes in Australia and to those who have already taken steps to do so and are finding it increasingly difficult to hang on.

Mr Evans: Did you vote for the housing agreement?

Mr CRANE: I was most concerned that when the Budget was announced recently by the Federal Treasurer, it was stated that the Commonwealth Government had in its “wisdom”—and in its evident attempts to try to reduce the cost of housing—decided to increase sales tax on building materials by 2½ per cent.

Mr Wilson: \$1 000 a house.

Mr Parker: Are you going to join the National Party? You supported this lot.

Mr CRANE: It is a move which not only has caused me great concern, but also has caused a great deal of worry to those people faced with the

desire—and it should be everyone's desire—to own their own home.

Mr Bryce: You should pass the member for Mt. Marshall on the way over there.

Mr CRANE: When the member for Ascot was speaking yesterday he said that the member for Moore would know at first-hand of the concern this matter is causing to people living on the fringe of the metropolitan area. This is the reason I am on my feet today; I do know.

Mr Brian Burke: You people are good at being concerned and short on action.

Mr CRANE: The people of Western Australia and members of this Parliament should make the strongest protest possible to the Prime Minister and to those in office in Canberra, against the proposed additional 2½ per cent sales tax to be levied on building materials.

Mr Parker: The Acting Prime Minister is your friend—you should have a bit of pull there.

Mr CRANE: At its meeting last Monday, the National Country Party State council expressed its concern about this matter. It has written to the Prime Minister and to the Deputy Prime Minister. I would like to also add my support to that protest.

Mr Brian Burke: That's fixed them!

Mr CRANE: The other part of the two-pronged attack on home owners is the increase in interest rates. I have had many cases of hardship referred to me, but I would like to refer to three examples at this stage. The first case is that of a family which was repaying \$292 a month for a loan that it took out 2½ years ago. Because of the increasing interest rates, the monthly repayment has now risen to \$368 a month.

This couple filled in a form—I believe it is called a hardship form—seeking relief from the mortgage repayments. They have to list all the things they must provide for from their weekly income. After totalling all these items, the couple had \$33 a week left. The wife earned \$30 a week, so we can see that if she were not working, the family would have \$3 left over at the end of a week for any incidentals.

Mr Brian Burke: Where did they get the hardship form?

Mr CRANE: These young people have one child, and they hope to have another one in the near future. The two are in their early 30s, but if they have another child and the wife gives up work, they would not be able to manage.

Mr Wilson: PBS put out these forms.

Mr CRANE: I would like to refer to the second case. This family borrowed \$30 075.

Mr Wilson: Where do these people live?

Mr CRANE: At the moment the loan repayment is \$339 a month. This figure has continued to rise over the four years that the loan has been in operation. The couple has paid out a total of \$15 894.84; that is, just over 50 per cent of the original amount borrowed. Although they have paid out in excess of \$15 000, the amount still owing on the loan is \$29 934.91. This means that the mortgage has been reduced by the sum of \$140.09!

The third case refers to a loan which was taken out in October 1978 for \$38 000. At the then current 10 per cent interest rate, the repayment was \$346 a month. In August 1981 the interest rate is 12.5 per cent, and the monthly repayment is now \$409. This is an increase of \$63 a month—18.2 per cent. Although the original amount borrowed was \$38 000, the sum owed is now \$38 320. So this couple is going backwards.

What is happening with housing interest rates reminds me very much of a song we heard many years ago from a well-known entertainer. Although it was considered a rather funny and stupid song for him to sing, it now has a certain amount of truth in it. This entertainer, as well as a great deal of ability, had a ukelele banjo and a row of teeth which were described "like a row of tombstones". Of course, members will be aware that I am referring to George Formby, and his song went something like this—

Mr T. H. Jones: You have given the psalms away and gone onto the songs now, have you?

Mr CRANE: George Formby used to sing—

I'm no wise guy,
Still I get along
I may not know my left from right,
But I do know right from wrong.
I bought a house,
The terms are fine,
Weekly payments three and nine,
In a hundred years,
The house is mine.
You can't fool me.

Mr Brian Burke: He did sing! He is a good singer—I think he should deliver all his speeches in song.

Mr T. H. Jones: Do you want us to get you a banjo?

Mr CRANE: It is all very well to condemn Governments, but we must put forward solutions to the problems they are facing. I would like to

put forward a possible solution to the problem. The aim ought to be as follows—

To reduce the level of interest rates;
to encourage investment within specified areas; and
to encourage people to provide for their future retirement.

Mr Brian Burke: How do you do that?

Mr CRANE: One method would be to allow a specified amount of income to be derived free of all forms of income tax, and without affecting other benefits such as spouse entitlement. The scheme would need to be restricted to individuals of over 18 years of age, and certainly it would not apply to companies. Any relaxation of these provisions would leave the scheme open to abuse.

Mr Brian Burke: How much income?

Mr CRANE: To qualify for the scheme, possible areas of investment could be with building societies, Government instrumentalities such as the SEC, Government bonds, and in traditional bank passbook savings accounts. People would be encouraged to create a nest egg for their retirement.

As the income from the funds up to a figure to be allowed, say, \$100 a week, would be interest free, investment would be encouraged.

I have worked out some figures rather hurriedly to give examples. If a person wanted the suggested maximum income of \$100 a week, that would mean an investment of \$52 000 at 10 per cent interest. At a lower rate of interest, say 8.5 per cent, one would need to invest \$62 400 for the same return.

Mr Wilson: Have you had these checked?

Mr CRANE: If this amount of interest were free of tax—

Mr Brian Burke: We have solved the problem!

Mr CRANE: —it would encourage people to invest in building societies and the societies would have money available for home loans. We are told that in order to control interest rates, we must encourage investment in building societies.

I commend my suggestion to the House. I am sorry it has drawn such raucous comments from members opposite who shed crocodile tears last week about this very problem. I hope those members will read *Hansard* and consider my comments seriously.

Mr Brian Burke: Biggest load of rubbish I have heard in 10 years!

Mr CRANE: I believe the scheme would work.

Mr Brian Burke: You are wasting our time.

Mr CRANE: I am not wasting the time of the House. The Opposition is always quick to condemn, but I have yet to hear one of its members say, "While I condemn the Government, I offer it this solution." For all his crying about interest rates, the member for Balcatta is yet to offer an alternative.

Mr Davies: We will have to put Ernie Bridge up to reply to this!

MR LAURANCE (Gascoyne—Honorary Minister Assisting the Minister for Housing) [4.59 p.m.]: I rise to reply to the grievance of the member for Moore.

Mr Bryce: Let us hear from the flim-flam man.

Mr LAURANCE: I have heard of a singing telegram, but this is the first time I have heard a singing grievance. I hope *Hansard* has recorded it.

Mr T. H. Jones: Will you reply to it in song?

Mr LAURANCE: Unfortunately I am tone deaf! Over recent days members in this House have heard of the State Government's concern about the present interest rate situation. The Government has objected strongly to the tight monetary policy put forward by the Federal Government as part of its economic strategy. That has been the main reason for the high interest rates prevailing at the moment.

Mr Brian Burke: Hear, hear!

Mr LAURANCE: The member for Moore referred to the sales tax on building materials. It has been estimated that the additional 2½ per cent sales tax will add \$500 to the cost of a house. As a result of those two factors, an already difficult situation is compounded.

We are looking for a change in policy—a change in national strategy towards housing—by the Federal Government. General relief for home purchasers right across the board can be supplied only at the national level. It requires a change in national policy. There are ways in which the State Government can alleviate the position; but it cannot provide general relief.

The honourable member mentioned people suffering hardships in meeting interest repayments. The Government has established a mortgage assessment and relief committee which will consider genuine cases of hardship, and it will provide some relief for such people.

The member for Moore mentioned also the amount of interest that has to be paid by people, particularly in the early years of a housing loan. It is well known that in the first years of a loan, the proportion of interest to principal repaid is very high. It is not until the later years of the loan that the proportion of principal repaid catches up.

The member would be interested in the figures I gave to the House yesterday. For a person who started with a \$30 000 loan over 30 years, at the 13½ per cent interest rate applicable today, on an income of \$15 000, the repayments on the loan would represent 27.5 per cent of the person's income in the first year. Given a normal inflation rate, the percentage of his income by way of loan repayments in the last year of the loan would be 1.7 per cent. The total figure is interesting also. If the person were receiving an income of \$15 000 today, and he received an increase of 10 per cent in his income in each year for the next 30 years, in that time he would earn \$2 467 032.

Mr Parker: Do you think you could get it paid in advance?

Mr LAURANCE: In the 30 years, the same man would have repaid \$123 840. On average, he would have paid 5 per cent of his salary in house repayments.

Mr Brian Burke: What if there were a 10 per cent inflation rate in the interest charged?

Mr LAURANCE: There is another side to that.

Mr Brian Burke: Tell them they will be pretty pleased about things at the end, if they have been having trouble with their incomes.

Mr LAURANCE: The member for Moore mentioned a remedy of providing tax-free interest on specified investments, particularly in building societies and other thrift savings such as savings banks. This will become an important issue. We have already seen partial deregulation of the banks. It is believed widely that when the report of the Campbell committee of inquiry is released, and the recommendations are considered by the Federal Government, there will be further deregulation of the banking system.

In addition, there has been a marked growth in new lending institutions such as property trusts in Australia. Such institutions are moving into the traditional areas of small savings. The property trusts and investment trusts are competing for investments of from a minimum of \$100.

People with small investments of a few hundred dollars or a few thousand dollars traditionally put the money into building societies and banks. As a result, those institutions have had funds available for financing housing—

Mr Parker: I was pointing that out to you last week.

Mr LAURANCE: The member was.

If the traditional avenues of thrift savings are to have greater competition because of the deregulation of the financial system in this

country, we will find that the funds are removed from the building societies and the savings banks. I am concerned about the effect that would have on the home-lending market.

Mr Brian Burke: But you do not encourage lending for homes by giving tax-free interest concessions on Government bonds.

Mr LAURANCE: I have particular regard for the problems experienced by the building societies and the savings banks. This is a factor that will need closer study in the forthcoming months, particularly in the light of any change in the financial system in this country as a result of the Campbell committee of inquiry.

The point made by the honorable member is a valid one. The Federal Government will have to give greater consideration to allowing building societies and savings banks to offer tax-free interest on investments in those institutions.

CONSUMER AFFAIRS: KEROSENE

Plastic Containers: Grievance

MR SKIDMORE (Swan) [5.06 p.m.]: I direct my grievance at the packaging of flammable liquids. I have raised this question with the Minister, and I have found that the problem is covered by the flammable liquids regulations 1967. Regulation 126(1) provides—

126. (1) Packages for flammable liquids and oils shall be of metal and constructed in accordance with the provisions of this Part of these regulations or otherwise shall be of material and construction approved by the Chief Inspector.

I was informed that the standard is set out in the Australian Standard which indicate which packages can be used for the purpose of packaging kerosene, which is the flammable liquid to which I want to refer. Subregulation (2) of regulation 126 states—

(2) Every package shall be so substantially constructed as not to be liable to be broken or to become defective or insecure during or in the course of handling, storage or conveyance, and shall be capable of being so securely closed that no flammable liquid or oil contained therein or any vapour thereof can escape from the package during the normal course of storage handling or conveyance.

I have always been concerned with the question of industrial safety. I agree that there should be regulations. However, I find that the standard imposed is not being met.

In order to consider whether a package is sufficient, one has only to try to have a plastic container filled with home kerosene at a service station. The customer is not allowed to fill the container, because the regulations say that a plastic container cannot be filled with kerosene.

I visited several service stations in my electorate, and I asked about that. The service station proprietors were annoyed about the situation, because they are placed in an awkward situation. We find that Target stores and supermarkets are able to sell kerosene in plastic containers; and one cannot stop those containers from leaking. The containers allow the leakage of the flammable liquid.

If one dropped such a container four feet onto a concrete floor, as has happened in the supermarket, one would find that the container would split.

At a service station the owner rushes outside when he sees a plastic container about to be filled, and he says, "No way. Don't fill it. If you do, you are up for a \$2 000 fine." That upsets the customer. The service station owner loses the customer, and he finds himself in difficulties.

I have sympathy for the service station owner. I have sympathy also for the people who try to have plastic containers filled.

To illustrate the problem, I wish to refer to a question I asked the Minister as follows—

- (6) Has any incident of explosion of a plastic kerosene container ever been reported to the department responsible for these regulations?

To that the Minister answered, "No." I then asked—

- (7) Is he aware of any incident that has caused a fire to take place due to the leaking of kerosene from any plastic container?

Again the Minister replied, "No."

I assume that, as the regulations have been in vogue since 1967, there have been no reportable fires caused either by spontaneous combustion of kerosene in a plastic container, or the leakage of kerosene from a plastic container. One might say that perhaps it is most fortuitous that we have not had a fire.

Surely to goodness we should not have to put kerosene on the same basis as a flammable liquid like petrol. I will say more about that in a moment. There is no real reason for kerosene being placed in the category of a flammable liquid which cannot go into a plastic container.

Mr Speaker, I spoke to you earlier about this. I informed you I was going to produce a plastic container in the House. This is the type of plastic container one can purchase in the supermarket. I cannot remove the plastic wrap from it, because it leaks. If I tip it on its side, it leaks more quickly. Members can smell that it has been leaking, because I have had it in my wastepaper basket to store it, and it has leaked into that. For the sake of *Hansard*, I indicate I have in my hand a container holding one litre of kerosene. The container is of soft plastic and I claim that it is inadequate to do the job.

For the sake of comparison, I went to my service station with a different type of plastic container—a 20-litre container. Two years ago, I travelled to Mt. Augustus and took the second plastic container full of petrol—thus breaking the law—and I also took a 20-litre steel drum. When I returned, the plastic container was intact, but the steel drum was leaking petrol because the seams split when I travelled on corrugated roads.

When I went to the service station with the second type of plastic container, I was not allowed to fill it. I can stand on that plastic container without any trouble at all. I weighed myself this morning; and my weight is 88 kilograms.

Mr Jamieson: Don't stand on the other one.

Mr SKIDMORE: I would like to illustrate what would happen if I were to stand on the smaller container. However, if I did so I would be in trouble with Mr Speaker.

Because the smaller container has been approved, according to the Minister's answer, when it is empty I will take it to my service station and I will have it filled. It is an approved container; and nobody could stop me. However, I cannot have the other, more substantial container filled with kerosene. How stupid is the regulation!

In my research on this topic, although it has not been exhaustive, I have been unable to find one incident in which there has been a problem with kerosene. There should be more sense in the situation.

I will also issue a warning to anybody who wishes to buy kerosene. The one litre of kerosene cost me 97c at a supermarket; and the average price at eight service stations in my electorate works out at 36c a litre.

Next week I am going back to my service station with one of my empty litre bottles and demand that it be filled. Members know what will happen; I will be told the same thing that everyone else is told. However, I will say that they cannot do that because it is an accepted container. I will let the Minister draw his own conclusions.

MR P. V. JONES (Narrogin—Minister for Mines) [5.16 p.m.]: I ask the member for Swan: Was the kerosene leaking through the plastic container or where the top is screwed on?

Mr Skidmore: My wife picked it up. I understand it was leaking from the bottom and when the girl at the counter tried to squeeze it tight, it became worse.

MR P. V. JONES: I asked that question because while I was not aware this grievance was coming forward, the member's earlier question interested me. I made inquiries in addition to the answer I provided him. I found there is a slight difference between the testing of the substance of which the container is made and the way it is sealed. The substance is tested by the national testing authority in accordance with the prescribed standards. For example, the two containers which the honourable member has shown us would be tested under two different standards. I am speaking now of the quality of the synthetic substance of which the container is moulded.

Mr Skidmore: If you were to look at the top you would see you could not stop the leaking.

MR P. V. JONES: We have two different situations: One is the substance of the container and the other is the manner in which the container is sealed. I will refer the honourable member's remarks to the Director of the Explosives and Dangerous Goods Branch.

In the answer I gave the member previously I indicated that the containers which are used are for use only within commercial premises in the State if they have passed certain tests which are specified in the Australian Standards 1936-76. The tests may be carried out by a certified testing authority at a National Association of Testing Authority's registered laboratory and it is subsequently presented to the Chief Inspector of the Explosives and Dangerous Goods Branch for approval in accordance with the regulations I tabled.

Mr Skidmore: When I first asked the inspector about this 20-litre container he asked if I could bring one to him. I said he would have one within 20 minutes to which he replied, "You are most persistent". He then indicated he might need three and I said that he would have three containers within 20 minutes. He then decided he might not be able to test them.

MR P. V. JONES: The member's remarks will be referred to the chief inspector.

There are laboratories in Perth that will do this testing. I will provide the member with information showing where he can obtain a list of the laboratories. There is a National Association

of Testing Authority office in Perth, and within that framework the Government Chemical laboratories it is registered to conduct certain tests.

Mr Skidmore: I am not quarrelling with the regulations or the manner in which tests are conducted. I am suggesting in a rather graphic way that there seems to be an anomaly between one plastic and another.

MR P. V. JONES: I concur with the member's comments. As I said, his question excited my interest because it seemed we could do something with petrol, but not with kerosene, although both are difficult and dangerous liquids with which to deal. The situation he described seemed a little crazy to me. The point he makes is well taken and I will refer the matter to the appropriate authorities.

The **SPEAKER**: Grievances noted.

LAND: FOREIGN OWNERSHIP

Inquiry by Select Committee: Motion

MR EVANS (Warren—Deputy Leader of the Opposition) [5.20 p.m.]: I move—

That in the opinion of this House a Select Committee comprised of members from all parties in the Legislative Assembly be set up to examine, report upon and make recommendations regarding—

- (a) the extent to which ownership by foreign interests of farming land and urban properties has increased in Western Australia in the past 5 years, and
- (b) the nature and the extent of the effects, and the possible effects, of increased ownership of such land by foreign interests.

The increasing ownership and control by foreign interests of Australia's vast mining resources, Australian industry, and Australian agricultural and urban land is a fundamental issue that this Parliament, or any Australian Parliament, can no longer ignore.

Certainly we must have sensible foreign investment, and I stress the word "sensible" for the Premier if for no-one else. We need a reasonable degree of overseas capital for resource development and an appropriate foreign investment policy that encourages partnership. Those are the two requirements we must have in the foreseeable future. However, the present open-door policy ensures that Australia is becoming a haven for each and every foreign investor who desires a piece of the action by buying into mining and industrial projects; it

allows unrestrained foreign investment. This applies equally strongly to speculative investment in land, both urban and rural.

After recent disquiet was expressed by the rural community—I will expand on this later—the Treasurer let it be known that the Government intended to monitor foreign investment in rural areas. There has been from this Government an expression of intent to which I will reply. This would appear to be one clear-cut area in which speculative foreign investment provides next to no economic benefit to Australia.

The National Farmers Federation has urged the Government to reject all foreign purchases of rural estate which cannot immediately provide a 50 per cent Australian equity. Concern has been expressed by a number of other rural lobby groups in a number of States during this year. It is rather interesting that in South Australia, farmers are feeling the effect of foreign investment in land through the inflated prices that have obtained in the wake of this investment. Farmers in that State and in others too are starting to realise that agricultural land is a limited resource—they are not making any more, as we are finding out in Western Australia. We cannot afford the luxury of allowing foreign interests to take it over.

There has been a great concern expressed in South Australia over the absence of curbs such as are evident in New Zealand, where a year's residence is required before rural land can be purchased. We find that in the USA, foreigners are prevented from owning more than .4 of a hectare of land. Perhaps it is not necessary for me to mention the restrictions that would apply to any Australian land investor in the Middle East, Hong Kong, Singapore, or any other South-East Asian country.

Just in case anyone proposes to interject, I will make a number of references to the Foreign Investment Review Board's hopelessly inadequate protection in this matter. In 1978, the Federal Treasurer announced that the individual, one-off acquisitions of real estate valued at less than \$250 000 would be exempt from scrutiny under the Government's foreign investment policy. The razor gang raised that threshold to \$350 000 and there has been a number of illustrations which reveal there have been successful ways of getting around this requirement. It is interesting that the National Farmers Federation argues that the amount of land and not the cost of it should come under scrutiny.

We have the situation in Queensland whereby rural lobby groups have pressured that

Government to control foreign attempts to "buy up the farm". There is said to be evidence that foreign investors were buying land and waiting for the capital appreciation to give fairly generous profits which would not attract taxation. Three important rural lobby groups in that State, including the Cattleman's Union, have called for a register of freehold land sold to foreign investors. Evidence in Queensland points to the purchase of land by foreign interests at well above current market prices and it is thought that such buyers are interested in the long-term gain.

That can do little for those people seeking to establish themselves in the farming industries in this country. It is said that the cost of a farm in a sound agricultural area has trebled in the past four years. The level of investment in Queensland—and I will use the Cattleman's Union's figures because it has done extensive research—in farm land has risen in the past two years from \$120 million to \$200 million. That is a considerable increase. Further, foreign purchases of meatworks are also a concern which, when added to the foreign ownership of land, provide a classic example of foreign-controlled vertical integration of our rural industries. We do not have to look outside Western Australia to see that. Let us consider this in some detail.

In Western Australia, one group that has been cited in *The West Australian* of several months ago was the Fares group, which purchased land in Kojonup and Cranbrook. This provides a specific illustration of vertical integration of our agricultural industries. The group has established a market outlet for live sheep in the Middle East.

It has also secured the transportation necessary for that activity and by coming into the production side and owning properties it has now been able to accumulate facilities of such a size as to allow it to handle at least 400 000 or 500 000 sheep per annum. At the same time it is growing its own fodder which will enable the feeding of the stock while it is being transported to the Middle East market.

That is vertical integration which is taking the control of a market from the hands of the traditional producers in this State. It means a market can be manipulated fairly extensively at the whim of a particular company. This is one aspect of the situation which has occurred and is continuing to occur in Western Australia.

It is appropriate to note that a number of areas of concern have been indicated throughout the State, not only by rural lobbies and producer organisations, but also by local authorities. They have all expressed alarm at the present situation.

On 4 August 1981 the Country Shire Councils' Association of Western Australia conducted its annual conference at which two motions were passed. The motions are interesting in that they reveal and express the concern and agitation felt throughout country areas not only of this State, but also of others.

I will refer briefly to them so that their contents are recorded. The first motion in part reads—

That complimentary legislation be enacted by State and Commonwealth Governments prohibiting the purchase of land (other than a residential lot) by non-Australians, unless the proposed purchaser has lived in Australia for ten (10) years or applies for and is subsequently granted Australian citizenship.

Such legislation would be far more stringent than that which exists in New Zealand. I refer to the situation in New Zealand merely to indicate the extent of feeling abroad. The first motion further provides—

Provision to be made in the Act or amending legislation to allow purchase by foreigners in certain circumstances, e.g. purchase of small businesses. Such purchases to be approved by a Government Committee or Board.

The second motion reads—

That the W.A. Government be requested to complete a list of foreign owned land in W.A. The list to be supplied to the Executive of the Country Shire Council's Association of W.A.

At present such information is not available because the records just do not exist. Several months ago the Opposition became alarmed by the developing trend of increased foreign ownership. The Opposition ascertained that in excess of \$6 million over a short period had been invested in Australia. It was obvious that a considerable amount of this money had been directed to the purchase of land for the purpose of accumulation or speculation.

The Opposition endeavoured to determine as precisely as possible the extent to which the purchase of land in Western Australia had occurred. We circularised country shire councils with requests for information. We received replies from a fair number of them—78 to be precise. It is noticeable that of the 78 replies, 23 indicated that properties in their shire areas were owned by foreign interests. This involved a total of more than 60 properties and an area of 150 000 hectares.

I point out again that these statistics are as a result of the survey conducted by the Opposition. It can be understood that the survey has been ongoing for a period of some months, and that the statistics are as detailed as possible having regard to the limited resources presently available to the Opposition.

A number of shires expressed the particular concern felt in their areas, and that indicates the lack of action on the part of this Government.

Mr Davies: An abysmal lack of action.

Mr EVANS: Only lately has any action been taken, and that action has been prompted by the murmurings of certain lobby groups, rural producer organisations, and the Federal and State Oppositions.

In a recent edition of *The Geraldton Guardian* the Minister for Agriculture replied to the Opposition's stand in regard to foreign investment. We had highlighted this Government's inactivity in regard to control of foreign investment, and in part had reflected adversely upon the Federal Government's open-door policy. It was reported that the Minister said our comments were no more than grandstanding; but we have been conducting research and investigation for some months. I have quoted already the results of our survey through country shires.

The Minister was reported as saying in *The Geraldton Guardian* that three motions were passed by the recent Australian Agricultural Council meeting in Darwin. That meeting was held during the first week of this portion of the parliamentary session. The motions are quite interesting to read. According to the statement brought down in respect of the meeting, the requirements of the motions were not extensive. In fact, if they were accepted, the actions they proposed would be ineffective and hopeless, and hardly could be said to be in the interests of the people of Australia and, in particular, the people of Western Australia.

At this juncture I ought to point out how innocuous the three motions are, especially in the light of the record and poor performance of the Foreign Investment Review Board. The Minister claimed that recommendations to the FIRB are made on the basis of State interests, but to say that is completely puerile. The record of the FIRB shows that it pays absolutely no attention to this State. Since the board was established in 1976 some 5 000 proposals have come before it. Only 45 of those proposals were rejected. They represent less than 0.5 per cent of all proposals.

More than 3 800 proposals involved the take-over of existing Australian industries.

I have mentioned that in 1978, two years after the review board was established, "once-off" real estate deals under \$250 000 were exempt from having to go before the board. Also I have mentioned that the razor gang rose that ceiling to \$350 000. It is considered that such a safeguard—I emphasise the word "safeguard"—is virtually useless, and that comment has been made by real estate concerns.

The Australian Agricultural Council recommendations were, firstly, that the State and Commonwealth co-operate to increase the amount of information available in regard to the extent and effect of foreign investment in rural land. Secondly, it was recommended that the FIRB continue to consult with States in regard to the board's foreign investment proposals. Would any good be served by that? The board already has rejected approximately 0.5 per cent only of matters before it, and in any case does not consider any proposal involving less than \$350 000. The ways around that provision are numerous. In Queensland it was shown without a shadow of doubt that purchasers could decrease the value of something by cutting it into smaller parcels. Of course, dummyming has been carried on through the establishment of certain companies. These things have been part and parcel of the foreign investment scene for long enough.

The third recommendation was that State Governments be asked to establish registers of foreign-owned properties. It is interesting to note that in *The West Australian* of 25 August 1981 the Premier is reported as indicating the actions already taken by this Government. He said that the Treasury and the Lands Department would compile a more effective register. That would not be hard to do because at the moment a register does not exist. The Premier also stated that a computer would be used in the compilation of such a list. Any Government department cannot do much without a computer these days, so the advantage of that would be enormous. However, the qualification of that remark is that the computer ought to be used in a meaningful and thorough way. The Premier stated that a ministerial committee would be established to examine the need for legislation, and if legislation were needed the committee would examine the form of that legislation.

Bearing those points in mind I refer the House to the *Daily News* of 19 August 1981, which states—

On August 11, it—

The article refers to the State Government. To continue—

—announced it would establish a register of WA land owned by non-residents.

However, real estate spokesmen are sceptical about the worth of the proposed register.

Most overseas buyers use local agents to buy land and the address of the agent is documented—not the address of the people on whose behalf they are acting.

So, unless the buyer has had to seek FIRB approval, it would not be unduly difficult to avoid having his name on the register.

If the buyer had to seek FIRB approval it would not matter much anyway because of the lack of restrictions involved. It is probably apposite to mention that the questions surrounding foreign investment in land suddenly have gained prominence in the eyes of this Government. *The Sunday Times* of 23 August states—

However, the honorary Minister for Housing, Mr Ian Laurance, said he could not see anything wrong in selling WA urban properties to Asian interests.

Whether that statement can be attributed directly to the Honorary Minister I do not know, but it is important to note that the article appeared on the front page of last week's edition of *The Sunday Times*.

It is interesting to remember that in *The West Australian* of 8 November 1980 Sir Charles Court is reported as saying that the State Government had not discouraged foreign investment in farmland. He said that foreign investment in real estate was not of great concern. However, that edition cited one example of foreign investment. It referred to the purchase by Fares Rural Co. Pty. Ltd. of properties at Kojonup and Cranbrook involving an area of 3 500 hectares. The Kojonup Shire President was quoted as saying that the Fares company was putting 400 000 to 500 000 sheep through the properties each year for live shipment to the Middle East.

Another factor is involved with this foreign investment in Western Australian land. The article of 8 November 1980 states—

Mr Peter Scudds, of Rural Leasing Services, said that a trust was being established to buy properties on behalf of the investors. The properties would be managed by the trust or leased back to the original owners.

That brings me to one of the major apprehensions felt by rural lobbies, especially those in the Eastern States.

Leave to Continue Speech

Mr EVANS: I move—

That I be given leave to continue my speech at a later stage of the sitting.

Motion put and passed.

Debate thus adjourned.

(Continued on this page.)

QUESTIONS

Questions were taken at this stage.

Sitting suspended from 6.15 to 7.30 p.m.

BILLS (10): ASSENT

Messages from the Governor received and read notifying assent to the following Bills—

1. Dried Fruits Amendment Bill.
2. Seeds Bill.
3. Wheat Bags Repeal Bill.
4. Western Australian Institute of Technology Amendment Bill.
5. Rural Housing (Assistance) Amendment Bill.
6. Road Traffic Amendment Bill.
7. Art Gallery Amendment Bill.
8. Metropolitan Water Supply, Sewerage, and Drainage Amendment Bill.
9. Wheat Marketing (Delivery Quotas) Amendment and Repeal Bill.
10. Hospitals Amendment Bill.

LAND: FOREIGN OWNERSHIP

Inquiry by Select Committee: Motion

Debate resumed from an earlier stage of the sitting.

MR EVANS (Warren—Deputy Leader of the Opposition) [7.34 p.m.]: There is certainly increasing concern within the Australian community in regard to the vast areas of farming and urban land which have been bought up by foreign interests. Many tens of millions of dollars have been poured into Australia and, in particular, into Western Australia, for the purchase of land from the established markets of the United Kingdom and the USA and, more recently, from Europe and South-East Asia.

The reasons for the concern—they are very extensive and grave reasons—are, firstly, the extra inflationary pressure that foreign buying has added to already over-inflated land values; secondly, the extra pressure foreign capital inflow is adding to the revaluing of the Australian dollar which must ultimately result in the cutting of rural incomes and the boosting of interest rates; and, thirdly, the problem of absentee landlords. The latter situation is one which was not of concern in the past, but difficulties in this regard are emerging with greater rapidity.

The full extent of land purchases by foreign interests in Western Australia is not known. It is imperative that accurate, detailed information on a matter as fundamental as land ownership should be available readily. This is the basic reason I have moved this motion, because I want clarification and guidance on the problem. This cannot be achieved in the manner intimated by the State and Federal Governments. It can be done only as a result of an open and extensive inquiry.

I should like to record some of the statistics of foreign land ownership which are available, along with their sources. Several Government indicators show some foreign ownership of land, but these are by no means conclusive. However, newspaper reports on foreign land ownership and its various strata are extensive, although I am seeking clarification of them.

In *The National Farmer* of 25 June 1981, several interesting comments were made and attention was drawn to a number of important facts. The statement was made that, "Foreign interests have bought out almost 14 million hectares of farmland in the past four years in a massive sellout". This was reported by the rural writer, Julian Cribb. He continued as follows—

In 4 years foreign investors bought Australian rural land equal in area to the total land to be cropped for wheat.

That is the magnitude of the problem about which we are talking.

In 1980 big purchases were made. West Germans and British purchased 27 farms each; Americans purchased 11; Malays purchased seven; Arabs and Singaporeans purchased five each; Italians, Canadians, and New Guineans purchased three each. Arabs from the Middle East picked up 300 000 hectares of land in five farms.

I have alluded to the fears of the Queensland Grain Growers Association already, but fears have been expressed that the investor-farm manager situation which is traditional in much of

Europe and the USA almost certainly will increase in Australia. There is the fear also that land values will increase and capital appreciation will go to foreign investors rather than to the Australian farmer who developed the country.

I should like to quote the comments of another rural writer, Bill Datzell, who believes rural land in Australia will level off at a price of approximately \$4 000 a hectare. Although it is difficult to make projections of this nature, it appears this figure is in doubt, because of the productivity of Australian land compared with that of Europe and the USA. The top corn belt land in the USA would exceed \$8 000 a hectare and could go as high as \$10 000 a hectare. Of course, in that regard I am talking about some of the best land in the world which cannot be compared readily with ordinary wheat belt land in Australia.

It should be borne in mind, however, that record prices for land have been achieved in Australia, an example of which is the fact that Arabs and Filipinos paid \$33 a hectare for pastoral land. American, German, Malayan, and Italian buyers in medium rainfall areas have paid between \$176 and \$236 a hectare on average. However, the situation does not rest there. In *The Sun* of 16 July 1981, it was reported that a German industrialist recently paid \$2.3 million for a 3 600-hectare wheat farm near Gunnedah. This must have a direct reflection on all land in the area.

A group of English nobles paid \$2 million for several irrigation properties running into thousands of hectares near Moree. In both cases the purchasers paid more than 5 per cent above the going price.

We are seeing now the initial problems of the situation, but with the passage of time, they will certainly be exacerbated. Artificially high prices must necessarily bring pressure to bear on the bona fide family farmer.

Hobby farms and areas in which clearing bans apply are creating a similar sort of artificial situation. The resident, operating farmer is penalised as a result.

In the same article to which I referred previously it is stated that land purchases in the past four years in New South Wales represent 17 per cent of its total land mass and 20 per cent of New South Wales agricultural land.

The West Australian of 9 November 1980 refers to the fact that in the past seven years foreign investors have bought out nearly 3 per cent of the Australian total rural land. Western

Australia was favoured second, only slightly behind New South Wales.

In November 1980 a remark to the effect that the State Government had not discouraged foreign investment in farming was attributed to the Premier. In the report to which I have alluded previously a statement appeared that the Agent General in London had been instructed to discourage speculative buyers in rural land in Western Australia. It is a matter of even greater speculation as to how he would be able to achieve that, because it is simply not possible.

It is clear everybody in the community should be concerned about the situation. In the same article in *The West Australian* of 9 November 1980, the Premier said, "Foreign investment in real estate is not great at the moment". He also wanted to make it clear that the State was interested in people who wanted to transfer their farming operations to Western Australia rather than be absentee landlords. That is a sentiment with which the Opposition agrees most heartily.

Reference was made also to Alenstadt Investment (Australia) Pty. Ltd. and the fact that 10 farms had been sold in Western Australia in the past year, half of which were for migrants. The same company representative said that leasing back to the original farm owners brought a return of 4 to 5 per cent to the investors with the leases extending for a period of 10 to 20 years. It is clear the figure of 4 to 5 per cent would not include capital appreciation.

I could quote other specific details of that nature, but the original reference from *The National Farmer* of 25 June 1981 was followed up with a further feature article in *The National Times* of 23 to 29 August 1981. That article is headed in bold lettering, "Sold—the great land sale".

This simply increases the concern that must necessarily be felt. Foreign capital is now flowing into Australia at record levels. To the foreign buyer of rural land the attraction of Australia is clear. Good farming land has become a national commodity. It is cheaper in Australia than in America. In Australia the speculator need pay no tax on profits from the sale of land. Foreign buyers see Australia offering the last tracts of politically stable potentially rich land available in the world. So that is the position in which we find ourselves.

I have been referring to a feature article in *The National Times* of 23-29 August 1981. It does not stop there but goes on to point out some fairly significant detail, and I would like to record several significant points. The FIRB figures show

in 1980—and bear in mind the limitations and the inconclusive nature of FIRB figures—foreign investors spent \$69 million on 750 000 hectares of land, mainly in the Queensland Darling Downs, the north-west slopes of New South Wales, and the great southern—the fertile south-west corner of Western Australia. The newspaper goes on to list the West German, English, American, Italian, Middle East, and Philippine buyers and the extent to which they have participated in this almost unparalleled and unprecipitated investment boom. In better quality areas where land prices have more than doubled in the past five years—

Mr Stephens: In some cases they have doubled in two years.

Mr EVANS: Yes, I am aware of that, but taking the period of five years as a more representative figure, foreign investors have been accused of grabbing available land as soon as it comes onto the market by offering vendors quick cash settlements in excess of their original asking prices. This is said to have created new price levels in some districts beyond the reach of local buyers.

Of course, any farmer's son or anybody trying to enter the industry will find it virtually impossible. Foreign investors are accused of being mainly after capital gains, buying slabs of land that will appreciate, sitting on it for a few years, while its productivity declines, and then selling it at a tax-free profit. That is, of course, a matter of gravest concern having regard to the magnitude of the operations that are taking place.

The alarm I expressed at the inability of the Foreign Investment Review Board to do much about it should be noted. Last week Mr Nixon told *The National Times* that when he approached the State Government and asked if company titles would provide evidence of dummy company activities, he was told they would not. Mr Nixon, the FIRB, and some land agents acknowledged that at least two FIRB regulations had been circumvented to allow investors to buy rural land. These two regulations have been clearly disregarded and the two examples referred to are properties which have been divided into small lots each worth less than \$350 000, so the FIRB was not required to grant its approval. That is, of course, established as a practice.

The second point is—

Some agents have found foreign buyers for properties before advertising them to local buyers, contrary to FIRB guidelines which state that foreigners can buy a property or business only after Australians have had the opportunity to do so.

It is recorded that a buyer is established. Of course, the price is escalated proportionately, and that is part of the reason. Those are the two regulations that are not being policed. I have already indicated to the House that the resolutions passed by the last Agricultural Council meeting have little chance of working in the opinion of the representatives of the rural estate firms which are dealing in these matters.

While I am on the subject of this newspaper supplement, I mention that because of the extent of the material it presents, the article has taken each State separately under the heading, "Who owns rural Australia?" The section that obviously concerns us is Western Australia. I quote as follows—

Western Australia has become steadily more popular with foreign buyers: since April 1976 the FIRB has approved 94 purchases totalling 48 930 square kilometers, worth \$46 million.

That is only land that comes within the ambit of FIRB. There is no way that a full and accurate record can be taken of all transactions. A representative of Wesfarmers land agency made an observation to *The National Times* as follows—

Perth agent, John Garland, claims to have made about six sales a year to West German and UK buyers. "About half of these were outright sales, and half were lease-back arrangements," said Garland. "But these would account for a very small percentage of our sales."

So it is not just a figment of imagination that the lease-back arrangement is becoming part and parcel of our rural industries and rural land ownership. It is clear; it is established. The article continues—

These people have since sold out and several West Germans and Austrians have bought in over the past three years, usually leasing the properties back to the vendors.

These new buyers have annoyed the Esperance locals, who say they do not want to see the area taken over by "tenant farmers".

The lease includes American investors in the north-east of the State who have extensive pastoral holdings. I have no doubt the member for Kimberley will make some direct observations on these and will explain the situation pertaining in the Northern Territory.

While that covers in broad outline the situation as far as rural land is concerned, it by no means

extends to the urban problems. LOGOS—Local Government Information Services—has done some extensive work with regard to this.

In *The Sun* dated 27 July 1981 the headline appeared, "Who owns Sydney?". *The Canberra Times* of 11 July 1981 carried the headline, "Review needed" into land buying by foreigners". In *The West Australian* of 11 July 1981 there was the headline, "Call for farm inquiry". *The Courier-Mail* of 11 July 1981 contained the headline, "Curb foreign land buyers". In *The Age* of 27 July 1981 there was the headline, "Queensland call for foreign-owned land register". In *The Herald* of 13 July 1981 the headline appeared, "\$6 bn. capital flows in". In *The Canberra Times* of 14 July 1981 we saw the headline, "Capital inflow up 500 per cent last year".

The story gradually unfolds to the extent that, to bring it down to a local problem, I would make reference to two phone calls I received in the past two weeks.

In one of them, the caller pointed out that he and his wife sought to buy a property in a Perth suburb just south of the river. They discovered that before the sale could be consummated the agents were able to obtain a higher price from a resident in Hong Kong.

The original purchaser who phoned me said he was almost certain that the financial arrangements had been set up by the agent on behalf of the overseas buyer. He was most aggrieved at that situation because he had gone to the expense of increasing his original offer by \$5 000. This is not an isolated instance.

Two instances were quoted to me of advertisements which appeared in the last edition of *The Sunday Times* and cited a senior representative of a Perth real estate firm inviting persons who had land to sell to make it known to him so he would have the opportunity of transacting a sale on their behalf while he was in Singapore on his overseas trip. The full question is not left there.

I will not proceed with the indicated extent of foreign ownership as far as the major cities are concerned. As every member in this House would know it is fairly extensive. I would point out also, having made reference to the \$6 billion investment capital that has flowed into this country in the past 12 months—the corollary to the land purchases—that this involves not just the purchase of land by foreign interests, but also the impact of the investment funds. The total investment boom is going to have an impact on the economy and must make life increasingly

difficult for rural industries and the people involved in them.

The present open-door policy to which I have alluded—and the mineral boom as it is proclaimed, which has been toned down to a development boom at this stage by members opposite—has an inflationary effect. The \$6 billion that has been invested—the bulk of it in existing businesses—also has a direct inflationary effect. This is being offset by the curtailment in the spending of the Federal Government.

Let me point out that at present every third dollar from all company income earned in this country goes overseas to foreign boardrooms and shareholders. Canada has now become the prime victim of a national economy being regulated by transnationals, with a total of 57 per cent of its mining industry and 56 per cent of its manufacturing industry being controlled by transnationals, and Australia is a fairly close second.

At this stage already Australia is No. 2, and this may cause dismay to many people. As I have said, 55 per cent of our mining sector, 56 per cent of our manufacturing sector, and 48 per cent of our service sector are owned by overseas interests. The impact of this massive share raid is not to be decried lightly.

Mr Brian Burke: What has the Government done about it?

Mr EVANS: In 1980-81 there was record influx of investment capital into this country—99 per cent in the last six months—and most of the money went into the purchase of existing Australian businesses.

Mr Brian Burke: No, they are developing funds, developing a big profit for overseas interests!

Mr EVANS: In no way was it development. This money was invested in the hope of accumulating funds through the later resale of the properties as prices continued to escalate. I have said already that the Foreign Investment Review Board is a complete sham; it is completely inadequate. It is recorded in *Hansard* that of the 5 000 proposals it has examined since 1976, 45 only were rejected.

Mr Brian Burke: Shame!

Mr EVANS: I would hate the representatives of rural areas on the other side of the House to be unaware of the fact that someone will have to pay for the mineral boom and that that someone will be the rural industry. Profits will be made from industry and mining, but at a cost to the rural industry. We must recognise that fact clearly.

Mr Brian Burke: A massive redirection of resources from rural industry.

Mr EVANS: Firstly, this is because of the infrastructure costs which will fall as an additional burden on the taxpayers of this country. It will be necessary to provide backups for such industries to be established.

As the export of minerals and other resources increases, the value of the Australian dollar will escalate against the floating basket of currencies against which it is levelled. The Australian dollar has been revalued many times over the last year or so, and that will continue to happen until the prices that the Australian farmers receive for their produce are adequate.

I have covered the main points which are relevant to this motion. I now turn to the actions which should be taken. It would be verging on the presumptuous to lay down a schematic approach to the problem. However, I would stress that the present Governments—both Federal and State—are not taking sufficient action in the right direction even to hold the situation, let alone rectify it.

Mr Brian Burke: And quite deliberately—that is the shame of it.

Mr EVANS: Secondly, the motion of the Australian Agricultural Council is that the State and the council co-operate to increase the amount of information available as to the extent and effects of foreign investment in rural land.

Mr Brian Burke: That's a joke.

Mr EVANS: Again that is simply a requirement for discussion that the FIRB will continue to consult the States on investment proposals. That consultation will do a lot of good when we realise it has knocked back 45 of 5 000 cases!

Mr Brian Burke: It is fairly discerning, isn't it?

Mr EVANS: Members must not forget that FIRB approval is not required on sales of under \$350 000.

Thirdly, State Governments will be asked to establish registers of foreign ownership. In reply to a question I asked on this matter, the Minister indicated—as did the Premier on another occasion—that the Treasury and the Lands and Surveys Department will compile a more effective register. It would not have to be a good register, because we have none at the moment! The register will be prepared with the aid of a computer. A ministerial committee will be set up to examine the need for legislation to control the situation.

Mr Brian Burke: What are we worrying about if the Government is doing all those things?

Mr EVANS: As I said, real estate spokesmen are sceptical about the value of such a register. It is the members of the real estate industry who have expressed doubts about the effectiveness of such a register. As a result, the approach of this Government to the problem is not acceptable.

The first point is to establish the extent of foreign ownership of rural land in this State and Australia generally. That cannot be done by an interdepartmental committee. The Government had an opportunity to do this, but it failed miserably. We need an open, full-scale public inquiry even to get the problem into its proper perspective. It is for that reason I have moved the motion we are now discussing.

Paragraph (a) of my motion refers to the extent to which foreign ownership of land has increased in the last five years. Paragraph (b) then refers to the effects and possible effects of such ownership.

I have alluded to several of these possible consequences, not the least of which is the increased valuation of farms. There is the possibility of further problems arising with absentee landlords, and also the extra burden these activities will place on an already overheated economy.

Mr Brian Burke: But you must be careful; the Government has more than one attitude on this matter. The Premier thinks one thing and the Honorary Minister for Housing thinks another.

Mr EVANS: The Honorary Minister for Housing was fairly adamant. He said he could see nothing wrong with the sale of Western Australian urban properties to foreign interests. That statement appeared in *The Sunday Times* of 23 August.

Mr Brian Burke: He has not denied it—that appeared in a reputable newspaper.

Mr EVANS: The Premier has changed his mind slightly.

The Opposition has been concerned about this matter for many months and the results of our investigations with local government authorities and other people who hold the information about land ownership indicates that our concern is well-founded.

MR BRIDGE (Kimberley) [8.09 p.m.]: I second the motion moved by the Deputy Leader of the Opposition. Any debate that centres around the ownership and control of Australian soil is one I am very eager to take part in. For a long time I have been saying that Governments in Australia should be paying a great deal of interest to what

is happening in our country, and particularly with a view to protecting our country for generations to come.

It is sad that in this Parliament in 1981 we should need to address ourselves to the question of the ownership of the rural parts of Australia. I would have thought proper planning would ensure that such a situation never arose. It is a great tragedy that we must attempt to ensure that we do not lose the very prized possession of the country in which we live.

I am a very proud Australian—so proud, as a matter of fact, that whenever I can, I stand up publicly to say to the audience that I stand before them as a complete Australian. I make a practice of buying everything Australian. I can stand up as an Australian character, holding an Australian guitar, and wearing an Australian pair of boots—Australian from head to toe!

Mr Laurance: What about your Cessna plane?

Mr BRIDGE: I sold that—it played on my conscience.

Mr Clarko: What about your watch?

Mr BRIDGE: I was about to say that before I go on the stage I must remember to take my watch off.

Mr Clarko: I intended to say—you should watch it!

Mr BRIDGE: I wonder how Australian Government members are.

Mr Grewar: True blue.

Mr Evans: You would sell Australia for two bob you lot.

Several members interjected.

The ACTING SPEAKER (Mr Sibson): Order!

Mr BRIDGE: When I was a candidate for the seat of Kimberley in 1976, I expressed my concern about where we were headed in regard to the ownership of our country. I was shot down in flames by people who said that my concern was a political stunt and that there was no substance in it. However, as I reflect now, I am sure my thoughts then were accurate, and indeed, the figures given to us by the Deputy Leader of the Opposition have borne me out.

There is a definite trend for the ownership of Australia to pass directly into foreign hands. So I say to this Government, and to every Australian Government: Wake up; it is not lost yet. It has been lost in the Northern Territory and to some extent in Queensland the situation is becoming very grim.

The Deputy Leader of the Opposition gave us a brief summary of the Queensland situation.

Certainly the pastoralists in Queensland are concerned about the ownership of the farmland there. The National Party has expressed its concern.

Approximately three weeks ago I was in the Northern Territory and I spoke with a number of pastoralists. Their message was simply that we have lost the chance to save the Northern Territory for Australian ownership. Pastoralists who have been in the industry for 30 or 40 years are leaving it because of this trend. At least if one searches hard enough, one can still find some land in Western Australia which is not owned by foreign interests. For goodness sake let us do something about this land before it is too late.

As Australians we are duty bound to ensure that the ownership of the soil we stand upon is held for future generations of Australians. It is very easy to say we must have large sums of money to develop certain areas; we need income and a flow of foreign money into the country as that is the only way to develop it.

That might be so in the short term, but members should look at the long-term significance. They should look at places like the Kimberley, where major properties are owned by people who do not live in the area. They should see how these cattle stations are operating. I do not know whether there are any cattlemen or ringers here tonight; if there were, they would be shaking their heads at the way pastoral properties in the Kimberley are being run by these so-called big-time landlords and multi-nationals.

Mr Laurance: Are you talking about the helicopter ringers now?

Mr BRIDGE: These people are not doing justice to the pastoral scene in the Kimberley and we are seeing a deterioration in cattle husbandry in the area. There has been a falling off in the ability of people effectively to run pastoral properties because they do not have a long-term commitment to the industry.

Members should listen to statements made about the purchase of pastoral properties in the Kimberley in the last couple of years. It is common knowledge in the Kimberley that people have acquired properties and sold off large numbers of cattle and in some instances have put the stations back on the market. Not many have been sold, but the intentions are clear. The person buying such a property immediately finds stock numbers are down on his original assumption and he is then forced to exploit the pastoral property to try to recover some of the money he has invested. Therefore, there is a continuation of the exploitation of the pastoral industry in the

Kimberley. Surely we cannot condone what is taking place before our eyes. Members should acknowledge that this is happening.

I made the point a short while ago that there is no doubt as to which country in the world is supreme: It is Australia. We as Australians should stand up and ensure this supreme country remains in our hands and in the hands of generations of Australians to come. That is our prime responsibility in this place, yet we are not carrying it out; we are allowing people from overseas to acquire property in Australia and imposing very loose conditions on them. To justify its lack of action in this respect, the Government says, "We need foreign investment. We need finance to develop."

Mr Stephens: You do not need finance to take over existing enterprises which are running very successfully.

Mr BRIDGE: I was about to come to that point. I have spoken before in this House on this situation. When the Land Act was last amended, I said the amendments would prove disastrous and devastating to the country. The day will come when members will agree with what I have to say, unless they take stock now. Once we allow through this House legislation which effectively enables bigger corporations to come in, and allows ownership of bigger pastoral leases in Australia, we will herald a situation where the small family farmer will be squeezed out of the industry.

Why should we squeeze out the small, family farmer? Many Australian farmers have survived difficult and terrible times, yet they have remained on the land. We should be encouraging them to remain on the land instead of squeezing them out. This is a fact of life; it is a reality. Surely members of the Government cannot freely and willingly accept that sort of proposition as being fair and reasonable; however, it is happening in the north.

I am not an expert on farmlands in the south-west; many members here have a far greater appreciation of the situation there than I. However, I understand from what the member for Warren said earlier tonight, and from questions asked in this place, that the farmers in the south-west now share this concern. I am glad they do; it is not before time.

When I talked about this matter four years ago, I received a mute response not only from pastoralists in the Kimberley, but also from farmers in the south-west. However, now they are saying, "Let us hop in and do something". I knew five or six years ago that this situation would be created and I am glad somebody else is thinking

about it now. Something needs to be done, and done quickly.

To return to the small family farmer, some weeks ago I was at Cygnet Bay, which is just out of Broome, where members of the Brown family are developing a type of tropical pasture on a small piece of land. That family demonstrated the effectiveness of what it was doing and I was very impressed. The property is only in the experimental stage, but is an illustration of what can be done with perseverance. The Brown family is not receiving any assistance from the Government, but if the Government were to consider assisting small farmers in this way it would go a long way towards assisting the industry. The pastures were green and cattle—admittedly, in limited numbers—were grazing. They were in prime condition, as good a lot of cattle as one would see anywhere. Who would think that sort of situation could be created in a place like Cygnet Bay? It shows what scope there is in Australia for this type of industry.

The Government always says that properties in the Northern Territory and the north of the State generally need to be big to be economically viable. However, the reverse is the case. The bigger an area, the less effective is the management. It is a fact of life. Let members tell me how a person can operate effectively a one-million-acre property. In my time in the pastoral industry I have seen some very good operators, but I have never yet seen anybody who holds the view that properties in the Kimberley should be made larger in order to become more viable. It has always been the other way. The properties should be condensed into smaller, more workable areas; people should be encouraged to invest in these areas and establish a stake in the industry. In that way, we would get a continuing commitment to the industry and a proper, ongoing utilisation of the land in which the family farm situation would continue for ever and a day.

However, the reverse is the case. We are removing the family farmer by squeezing him out. I will make a prediction tonight: If the current trend is allowed to continue, in 10 years' time ownership in the Kimberley pastoral scene will be in the hands of five or six overseas people. Can we be proud of such a situation? The Kimberley contains some of the greatest pastoral areas in Australia, yet on current trends it will end up under foreign control in the hands of only five or six people.

Mr Grewar: Don't you think you are over reacting?

Mr BRIDGE: No, I have seen it coming for years. For example, I refer members to the 23 August edition of *The National Times*, in which the following statement appears—

The largest, the Australian Land and Cattle Company, owns or leases several irrigated grazing and sorghum-growing properties: Cambalan, Kimberley Downs, Napier, Louisa, Louisa Downs, Bohemia, Kilito and Jowenga, covering about two million hectares.

Members should try to visualise the land involved in an area of two million hectares; it is a huge area of pastoral property.

Mr McIver: I cannot understand the member for Roe interjecting because the Yanks own Esperance.

Mr Grewar: I will tell you about it in a few minutes.

Mr Brian Burke: You would not know.

Mr Grewar: As the member for Balcatta says, you would not know.

Mr McIver: You have only to read the newspapers; they would not tell a lie.

Mr BRIDGE: As a true blue Australian, I am concerned about the things that are happening in this State. We are not selling this land; we are handing over our country on a plate. We are not even handing it over to Australians. If we are going to hand over this soil to anybody, let us hand it over to our own people. When all is said and done, Australia is a treasured possession and we as parliamentarians should ensure that it stays in deserving hands; namely, in Australian hands. In my view, Australians are the rightful owners of this country.

On that note, I am happy to support the motion before the Chair.

MR OLD (Katanning—Minister for Agriculture) [8.27 p.m.]: The matter of foreign ownership of land is a very serious and, to a point, an emotional issue. I believe it is possible to go too far one way or the other. From what we have heard tonight from the Deputy Leader of the Opposition and the member for Kimberley, one receives the impression Western Australia is being swamped by foreign ownership. In fact, of course, that is not correct.

Mr Bridge: It is absolutely correct.

Mr OLD: Figures were quoted tonight which I will be able to refute as I go along. The member for Avon interjected a moment ago about what he read in the newspapers. As I proceed, I intend to provide accurate figures and show members how inaccurate some Press articles can be, and how

misleading are the sources of that information. Some people are quite unable to quote figures accurately, because they have no knowledge of the industry. It is similar to the Deputy Leader of the Opposition stating that the Foreign Investment Review Board had rejected, I think, five applications. Quite frankly, he would not know how many applications the board has rejected because it is very careful to keep such information confidential. Properties which are purchased in Western Australia or are offered for sale are subject to an offer and acceptance agreement, and when a foreign owner or investor is involved, the matter is referred immediately to the Foreign Investment Review Board. From FIRB it is referred through State Treasury to the Cabinet subcommittee on foreign investment.

Mr Evans: If they are over \$350 000; however, this is being circumvented.

Mr OLD: Not necessarily; this is where the member for Warren does not have a full grasp of the situation. It so happens that rural land is treated under the foreign takeovers legislation and the banking foreign exchange regulations and export controls and, as such, is not exempt up to \$350 000.

Mr Evans: Senator Dame Margaret Guilfoyle's presentation of the guidelines should perhaps be looked at by you.

Mr OLD: Perhaps the Deputy Leader of the Opposition had better look at Mr Howard's presentation of the guidelines. A booklet has been put out by the Commonwealth Treasury which states categorically that sales of levels up to \$350 000 do not necessarily attract the investigation of the Foreign Investment Review Board, except those sales covered under the foreign take-overs legislation and the banking foreign exchange and regulations and export control under which rural land comes. Rural land is treated under that Act as a business and not as a land transaction. I can assure members that that is correct. I speak with some authority because I have received a letter from the Treasurer setting out those facts in detail.

Over the last few days I have taken the trouble to make inquiries of our rural land sellers. I refer now to the stock firms in Western Australia, who I believe would sell approximately 80 per cent of rural land in the State. Whilst I am not prepared to give individual figures from these firms, because the information is confidential, I can tell members that in 1980-81 the three firms completed transactions on 623 rural properties. In the case of one firm, that figure included properties of 10 acres and over. So the 623

properties should be put into their proper perspective and be seen to be about 550 rural properties.

The 623 properties were sold for a total of \$146.6 million. Ten were sold to overseas interests—I will not say foreign investors. Six were sold by one firm, four by another, and none by the third. This represented a total of 1.6 per cent of land sales in 1980-81. This is being put forward tonight as a foreign take-over of our assets. Nothing could be further from the truth.

Mr Evans: You do not know what you are talking about. If you look at the survey by local government authorities you would find this pointed out to you.

Mr OLD: The survey by the local government authorities, with respect, was terribly incomplete. I happen to have spoken to a few of the local authorities to which the Deputy Leader of the Opposition wrote. In any case, their method of assessing foreign ownership is to sit in a circle and ask, "Who owns what property?" There is far more to ascertaining the ownership of properties than sitting around talking about it. The Deputy Leader of the Opposition should know that; if he does not, it is about time he took off his blinkers.

The Sunday Times of 16 August contained some interesting figures attributed to the Opposition. In fact, the article was engendered by a statement by the Leader of the Opposition. I cannot find the article, but I recall it said that, since the beginning of 1981, 349 rural land purchases have gone to foreign investors and a total of 5 500 hectares was involved. With a little mental arithmetic we find that the average size of the purchases was 15.75 hectares. That is the sort of accurate information with which the Opposition is currently dealing. It is laughable to think these figures can be put up as a serious case for action to be taken. In fact, members of the Opposition are merely grandstanding.

The 10 properties out of the 623 sold in 1980-81 which I mentioned previously represent 1.6 per cent of land sales. Quite a few of those properties were sold to people who are either living here or intending to live here. The policy of the Western Australian Government is to encourage overseas people who wish to come to this State to buy land and farm that land. That is a very sound policy.

Mr Bridge: It is not.

Mr OLD: The member for Kimberley should listen and learn a bit.

Mr Brian Burke: He will not learn from you.

Mr OLD: The member for Kimberley spoke about the Northern Territory being under the

control of foreign ownership. Over 50 per cent of the Northern Territory is owned by Aborigines, so there cannot be a majority of its land owned by foreign investors.

Mr Barnett: Are they foreign owners?

Mr OLD: If that is what the member thinks, that is his problem. I want to get back to some serious business, rather than this fantasy. I did not interject on the member for Kimberley.

Mr Brian Burke: Don't be so patronising. If anyone is pedestrian, it is you.

Mr OLD: The Opposition gives the impression that Western Australia is almost totally owned by foreign investors. Nothing could be further from the truth.

In 1979 the Agent General in London sent us a telex indicating that a company in Western Australia was advertising widely in the UK and Europe inviting people to invest in Western Australia. The Agent General sought guidance from the Government as to the attitude he should take. The Government advised him that overseas investment for investment purposes only was to be discouraged but that any person who wished to come out and live here would be welcome. This matter was later discussed personally between the Agent General and me in 1980, and subsequently with the Premier.

Questions have been asked in this House as to what action was taken with regard to the Agent General. Questions were asked with great gusto as if this had happened just the day before yesterday. I can assure members that this instruction to the Agent General has been in vogue since 1979.

Mr Cowan: The Agent General had no power at all.

Mr OLD: Prior to this a Western Australian company had a very active person in the UK who was canvassing people there to come out here and buy land. Subsequent to that two or three farms were purchased by people from the UK. The last time he was here I spoke with this person. He had 23 people with him, and they had purchased six properties which they were going to live on and work. I consider that to be progressive and would defend the action to the last. These people can bring expertise to Western Australia. They can learn from our farmers and in some cases they can teach them.

Let us talk about the distribution of foreign investment in Western Australia. Since 1976, 112 properties have been sold to foreign owners. I will give the percentage of the different types of land comprising those 112 properties. Of these, 12

pastoral properties represent 10.7 per cent; 26 wheat belt properties represent 23.2 per cent; 20 great southern properties represent 17.9 per cent; 12 south coast properties represent 10.7 per cent; 18 high rainfall properties represent 6.1 per cent; five midlands properties represent 4.5 per cent; and 19 other properties represent 17 per cent.

Let us get down to the structure of those properties, because that is the real big thing in this argument. Since 1976 the area of land in Western Australia sold to foreign owners, be they residents or otherwise, totals 1.991 million hectares. Of that, 1.824 million hectares represents pastoral properties, and that is 91.7 per cent of total land sales. Of this, 66 000 hectares is in the wheat belt area and represents 3.3 per cent; 35 000 hectares is in the great southern area and represents 1.8 per cent; 39 000 hectares is on the south coast and represents 2 per cent; 8 000 hectares is in the high rainfall area and represents .4 per cent; 8 000 hectares is in the midlands and represents .4 per cent; and 11 000 hectares comprises other areas and represents .6 per cent. That is the total impact of foreign ownership on land in Western Australia since 1976.

Mr Cowan: Does that include nominee companies?

Mr OLD: It includes people who have come here to live and farm. It includes every company that has been through the FIRB.

The Deputy Leader of the Opposition makes great play about the fact that there is no register of land in Western Australia, but nothing could be further from the truth. Again, he was fiddling with facts. There has been a register kept in Western Australia for quite some time. It is being upgraded and great play was made of the fact by the Opposition that it is being computerised. The suggestion was made that it might not be accurate and that perhaps one should have an eye-shade and quill to obtain good results.

Mr Evans: A spokesman from the real estate companies will tell you it will not work.

Mr OLD: Of course, he would know. He would be right into the Government computer! I do apologise for not having consulted with the real estate agents about the accuracy of the Government's computer programmes!

The complete subject of land use is one which is under scrutiny by a computer programmer now. When that programme is completed and perfected, we in Western Australia will have the best record of land and land usage of any State in Australia. We will lead Australia and I would not be surprised if other States call on us to do some recording for them.

I will refer again to exemptions from the FIRB scrutiny. Individual, one-off acquisitions of less than \$350 000 are exempt, unless an acquisition is part of a property investment programme involving total acquisitions since 8 June 1978 of more than \$350 000, in which case it should be referred for consideration, because a farm comes within the foreign take-overs legislation because it is a take-over of Australian business. Proposals by foreigners to purchase rural land are submitted to the FIRB, which refers each proposal to the relevant State. That is something which appears to be in doubt in this House. Mr Speaker, I assure you that every week we receive from the FIRB a reference in regard to properties under offer to foreign investors. I assure the House all those properties are not approved for sale.

The policy of this Government is that if a sale includes a 50 per cent Australian investment, the sale is approved. If it involves a complete foreign investment for capital gain there is no way in which we will approve the sale unless extenuating circumstances can show the transfer of such a property to complete foreign ownership would benefit Australia.

In regard to pastoral leases this State has complete control, and thank goodness, we will keep it. In this regard, the general rule is that unless a purchase involves a 50 per cent Australian equity the transfer of the lease will be referred to Cabinet for consideration of any extenuating circumstances. Such matters are decided in Western Australia and the decisions passed on to the FIRB. I assure the House that there have been some quite disappointed would-be pastoral lessees who have not been able to carry on with the programme they envisaged.

Another point does not seem to have been taken into account. Some of these foreign-owned properties are coming back to Western Australian ownership. It was only recently that Elders GM completed the purchase of the Chase content of the Esperance Land and Development Company. Elders and National Mutual Life Association together now own over 50 per cent of the Esperance Land and Development Company. In my book another shining example is the circumstances surrounding Yathroo, a property well known to most people in this House. It was owned partly by an overseas investor and AMP. However, AMP has completed the deal of buying out its partner, and has since sold the complete property to a Western Australian who is now in the process of selling or has sold part of the property, which is known as Yere-Yere. Mungedah currently is under offer to a Western Australian syndicate. These exchanges are the

sorts of deals not included as a credit to the figures we have put before us. Any property that goes back into Australian ownership naturally is not referred back to the FIRB and, therefore, no striking off occurs. If the figures in relation to foreign ownership are inaccurate in any way, they may err in the way that the figures show more overseas investment than actually exists.

I understand one of the stock firms in this State which—I must say—at one time actively engaged in seeking foreign investment is now probably one of the firms which sells less land to overseas investors than any real estate firm in Perth.

I feel I should read part of the article in *The Sunday Times* of 16 August 1981. It states—

Opposition probing in parliament—

This is the Western Australian Parliament. To continue—

—revealed 349 rural land purchases, involving almost 5 500 hectares, by foreign interests since the start of the year.

Most had been in prime pastoral areas. The Opposition believes they may only be the tip of the iceberg.

That is absolute rot. Mental arithmetic proves that statement is so stupid that one cannot give it any credibility at all.

Currently one of the stock firms in this parish is advertising Mr Linkletter's place at Esperance. It is being advertised widely. It comprises 11 426 acres and is solely American owned. I take it Linkletter was an asset to Esperance inasmuch as he went to that area when it was developing. He developed a very large tract of land which is now back on the market under the rule that it must be offered widely in Australia before any foreign person—this applies to all properties—can be offered that property. This situation is occurring right now. The type of activity to which I have referred is occurring right now. I assure the House that the people of Western Australia can be certain that this Government has no intention to allow foreign take-over of Western Australian agricultural or other Western Australian properties.

The Deputy Leader of the Opposition early in his speech this evening mentioned Fares Rural Company Pty. Ltd. as a foreign investor taking everything it can out of Australia and putting virtually nothing back into it. He based his remark on the point that the company is farming the land, processing the products, and exporting them. That is not quite right. Fares Rural is one of the two largest live sheep shipping companies in Western Australia. Those companies are a very

valuable asset to the primary producers of Australia. I ask any would-be interjectors to deny that point. Approximately 3.3 million live sheep will be exported from this country next year and Fares Rural—

Mr Evans: If it goes too far it is against the producers of this country.

Mr OLD: I ask the member to continue—tell us more.

Mr Evans: What about the vertical integration which they are worried about in Queensland.

Mr OLD: The words "vertical integration" are placed properly in inverted commas. Fares Rural bought three properties in the Kojonup area and one property in the Cranbrook area. It uses the property in the Cranbrook area for the sole purpose of growing crops for hay. A very large contract has been let to a local firm to crop that property and bale the hay produced.

Mr Watt: Many small farmers in my area have benefited.

Mr OLD: Fares Rural has installed palletizing equipment on one of its properties at Kojonup. Quite a number of local people will be employed to run that operation. The local shire is delighted.

Mr Skidmore: I am delighted too. There will be more members for my union.

Mr OLD: That would be about the only thing related to this operation with which I would not agree.

Mr Skidmore: I expected that.

Mr OLD: The company currently is negotiating with the Honorary Minister for Housing to establish housing for industry in the area or failing that other housing arrangements will be made. The company will employ local people who would live in the town of Kojonup.

Mr T. H. Jones: How many times have we heard this?

Mr OLD: It will not hurt the member for Collic to hear it again; it will do him the world of good. The company also will purchase hay from local farmers. The member for Albany mentioned that the same benefit is accruing to farmers in the Albany area. The people involved with this company are the ones supposed to be raping the country; they are the people who supposedly are disadvantaging the Australian rural industry.

Mr Evans: These are the people who will control the industry.

Mr OLD: The member for Warren is quite wrong. While this Government is in office—I expect it to be here for much longer—the people to whom the member for Warren refers will not

take over the rural industry. I would not like to see what would happen if the people on the other side of this House became the Government of this State.

The activities I have outlined of foreign investors are the sorts of activities I would promote, and be proud to promote, for Western Australia. These activities will benefit Western Australian agriculture and Western Australian industry generally. Perhaps if people sat down to consider exactly what is going on in regard to so-called foreign take-over of Australia they would understand the real position. In regard to *The National Times* article of 23 August one can only say that at its best it was sensational journalism. In my little bag of tricks I have the article. I will refer to the parts which the Deputy Leader of the Opposition did not read. The article states—

A spokesman for the Wesfarmers land agency in Perth told *The National Times* that foreign buyers account for approximately one per cent of its sales. "They usually inquire about mixed farming land in the York area, and at Esperance," he said, "and they are usually migrants."

One company listed as a foreign owner is owned by a gentleman who lives at Mt. Barker. He has an Italian name, but lives in this State. One could hardly refer to that company as one that intends to make a foreign take-over. A concept is put up by several people that in order to assist certain farmers, the idea of selling properties and leasing them back to the original owner should be followed.

Not every farmer is as rich as are some farmers in this House tonight. Some farmers would like their sons to stay on the land, but the farmers would like to retire. Some of them go to a real estate firm to see whether they can find somebody to buy the land, and lease it back so that the son can continue the farming operation and the mother and father can retire to Mandurah. I do not think there is anything wrong with thinking along those lines. The article of *The National Times* of 23 August states—

Esperance, along the Bight east of the Great Southern, is often described in WA newspapers as the most foreign investor-plagued area of the State. In the 1950s, the WA Government opened up the area for development. US interests moved in, including a syndicate from the Chase Manhattan Bank, and American television personality, Art Linkletter.

I have already talked about his property. To continue—

These people have since sold out and several West Germans and Austrians have bought in over the past three years, usually leasing the properties back to the vendors.

These new buyers have annoyed the Esperance locals, who say they do not want to see the area taken over by "tenant farmers" leasing land from overseas "absentee landlords". But none of these so-called tenant farmers, who have made quite a bit of money by selling out and, in at least one instance, buying additional land with the proceeds, have so far been heard to complain.

Possibly circumstances exist whereby this could assist a family to stay on the land and further assist the owners of the land. The parents of people who wish to stay on the land can get out of farming and enjoy a retirement which they richly deserve and which they would not be able to enjoy if it were not for the fact that somebody was prepared to buy the land and lease it back to them.

It is not just overseas investors following this course. There have been cases in Western Australia of properties being purchased by Australian investors—St. George's Terrace farmers, if one likes to use that term—who have been prepared to lease properties back to the original owners to give the "tenant" the opportunity to farm the property as it has been farmed for many years. However, the original owner has the benefit of capital in the bank.

I do not think any Government with any vestage of private enterprise thinking would deny anybody the right to sell his property and still have the use of his capital.

Not in any way will this Government bow to foreign investment, and we will continue in the vein we have practised for the last number of years.

Mr Evans: In blissful ignorance.

Mr OLD: It is now my intention to move an amendment because I do not believe the motion has any merit at all.

Amendment to Motion

Mr OLD: I move an amendment—

Delete all words after "House" in line 1 with a view to substituting the following—

- (1) The Government should continue and expand the monitoring of

pastoral and farming land and urban properties which have been acquired or are being sought now and in the future by overseas interests;

(2) For this purpose there should be—

- (a) a continuation and expansion, where practicable, of the co-operation with the Commonwealth Government both direct and through the Foreign Investment Review Board in respect of the present and future activities in this field; and
- (b) a study of any legislative amendments which may be necessary where difficulties are experienced in accurately ascertaining the degree of overseas involvement in transactions which fall in the above categories; and
- (c) a study in conjunction with the Commonwealth Government of the best ways and means of preventing transactions which are not considered to be in the State and National interest, especially where absentee ownership is involved.

(3) Further, this House is of the opinion that the Government policy of looking favourably on overseas people who legitimately desire to migrate and personally undertake the proper development and management of properties as permanent residents of the State, is one to be encouraged.

MR CRANE (Moore) [9.03 p.m.]: I have pleasure in formally seconding the amendment moved by the Minister for Agriculture. It is not necessary for me to say very much on the subject because it was ably covered by the Minister.

An Opposition member: Can you sing it?

Mr CRANE: The Minister is fully conversant with all the facts associated with this matter of foreign investment and ownership of land.

Mr Brian Burke: He still does not understand all of it. That is the point.

Mr CRANE: In fact, we as a party have been concerned about this for some time because of the fears expressed by many people.

Mr Cowan: You move amendments like this and you are concerned about it!

Mr CRANE: It will be recalled that the matter was raised at a recent National Party conference and the Katanning branch moved a motion which was carried. The motion was along the lines that the party expressed concern at the amount of foreign investment in rural properties by absent owners and called on Federal and State Governments to curb those transactions which are identified as being mainly for capital gain.

As I said this was carried by the conference. There were other motions not carried; they were of a socialist nature and consequently were rejected. Many people are not aware of what has happened and what is happening and the steps the Government is taking. I believe that tonight the explanation given by the Minister for Agriculture, virtually cuts the ground from under the feet of those who have been making wild and false claims about the ownership of land by foreign interests.

An Opposition member: Is your party satisfied?

Mr Old: Yes.

Mr CRANE: After such an explanation by the Minister I am sure that the majority of Western Australians who care to think and learn for themselves will appreciate there is very little to be concerned about.

I agree entirely with this amendment. It not only confirms that we are going to carry on and expand the monitoring of farming and pastoral lands but also suggests other steps which will be taken in continuation and expansion of any Government departmental studies carried out—in conjunction with the Commonwealth Government. These are the additional anticipated proposals. For those reasons I feel the situation is adequately and safely in hand.

I have an interest in the rural community because in the main I represent a rural community area although perhaps not in numbers—and because of my own association with the land. It does concern me when we talk about foreign ownership; people coming from other countries and taking up our land.

I remind the House that in 1926 I came to Australia from another country. Unlike the member for Kimberley I cannot claim to be an Australian. I am a Ceylonese Pom born in Ceylon and came here with my mother and father. As a result of my parents coming here in 1926 their family has increased with grandchildren, great-grandchildren and great-great-grandchildren and there are now over 80 members of the family

here. We are all, I hope, good, solid, honest Australian citizens.

A member: Are you going to sing a song?

Mr CRANE: Although I do not have a certificate to say that I am an Australian citizen—I came here before 1948 and so am exempt from the requirement to be naturalized—I hope I am a good citizen. I hope people appreciate others in similar circumstances who have proved to be good citizens.

Mr Brian Burke: What has this to do with the amendment?

Mr CRANE: I understand that someone has suggested I have not made a good parliamentarian. Perhaps I have not. My electoral figures will suggest that I have made a good people's representative because I am still here, even though after counting started at the last poll the member for Merredin predicted that I was going to be defeated.

Mr Brian Burke: I wish you had been.

Mr CRANE: I am still here.

Mr Brian Burke: Don't we know it!

Mr CRANE: I am still here as a proud and hard-working citizen who happens to own a reasonable slice of this country. I will defend, if necessary, the right for people to do just that.

Mr Barnett: Get on with it.

Mr CRANE: Therefore I have a great deal of pleasure in seconding this amendment. The articles and notes to which the Minister for Agriculture referred are here for anyone who wishes to read them. They were sent here by the Federal Treasurer and are available for those who are desirous of finding out the truth. I believe the old adage applies here particularly in regard to the Opposition benches: Do not confuse us with the facts, our minds are already made up. I would stress the point that they should read these facts so they could learn something about them and how they apply in this particular instance.

In passing I would like to say that there is a certain amount of selfishness in most people. I have noticed areas of land changing hands in my own electorate over the last few years. I remember buying some property seven or eight years ago and since that time the value has increased by 500 per cent. There are many people who want to buy other land to expand their own farming operations and I must say in all sincerity that the amount of land which has changed hands in the immediate and not so immediate vicinity to my own property lately has been purchased by people farming in other areas where exorbitant prices had been paid making the land prices soar.

The competition was not from foreign investors; it was from local farmers themselves.

I could not tell members what my property is worth. Perhaps it is worth a lot more than I think it is. If I were to rely on the income from my farm to buy it I could not afford to do so. That is how it has escalated, but fortunately I do not have to buy it, I own it.

Mr Brian Burke: What about young farmers starting out?

Mr CRANE: It is my experience that those people who sold the properties to which we are now referring did not seem to be very concerned at the time. They only wanted the highest price the market could give them.

Mr Brian Burke: That is unusual!

Mr CRANE: They were not concerned about who purchased the land. Perhaps this is because of the selfish element which seems to be in many of us when it comes to loyalties. In the final analysis they are far more loyal to their own hip pocket than they are to foreign ownership or to the lack of foreign ownership to which many people are referring.

Mr Brian Burke: What about young farmers starting out?

Mr CRANE: Young farmers starting out have an equal opportunity to buy a place if they can raise the money.

Mr Brian Burke: That is a point!

Mr CRANE: There is no plan available as far as I am aware which says a farmer's son must have property over anybody else. I do not believe we have such legislation in this system of ours. It is fortunate that they have their fathers to help them. They must compete in the market with other people.

Mr Brian Burke: What about Asian money? That is the point we are making.

Mr CRANE: In the sales to which I refer they were not competing with Asian money. Those properties were being bought by others around the area and it has really been an explosion of farm build-up, whereas a few years ago some farmers may have owned 3 000 or 4 000 acres they now own up to 10 000 acres.

Mr Brian Burke: What chance has a young chap out of Scotch College got to actually go onto the land like you did?

Mr CRANE: Here again my experience is that these farm build-ups have been for the young fellows who come out of Scotch and other colleges. Their fathers are buying properties for them. Because the hour is getting late—

Mr Brian Burke: You ignore the problems.

Mr CRANE: —and the argument has certainly been well canvassed and I am delighted with the accurate coverage given to this House by the Minister for Agriculture, I have much pleasure in commending to the House the amendment he moved.

MR STEPHENS (Stirling) [9.12 p.m.]: It would appear from the remarks made by the member for Moore that it does not take very much to delight him. In listening to the Minister for Agriculture it would appear that the spate of headline coverage in the newspaper over the last couple of months and the concerns being expressed by differing people throughout Australia are all wrong and are on the wrong track. I think that is far from the truth and members of this House have a solemn duty to make sure that what belongs to Western Australia and Australians in so far as it is humanly possible stays in their hands for the benefit of future generations.

Opposition members: Hear, hear!

Mr STEPHENS: I am most concerned, as are other people in this community, about the flood of money coming into this country to buy up existing farms and existing real estate. It does not bring anything new in technology or any new benefits whatsoever. This speculative capital in the long term goes against the best interests of the farming community and as such is appreciating the Australian dollar. This means that the return from primary production and mining is lower and that is to the detriment of Australians as a whole and certainly to this State.

Mr Blaikie: Do you want to see Western Australian farmers remain as mendicants and peasants?

Mr STEPHENS: I do not want to see Australians become mendicants and peasants and that is why we are taking this action to ensure it does not happen. I was most amazed to hear some of the comments of the member for Katanning. He talks about the transfer of foreign ownership back to Australia as being beneficial but he omits to mention the huge capital gains those people are making. He also mentioned the Esperance Land and Development Company. This is one situation about which I felt neither the Government nor the Opposition would like to be reminded. If ever there was a land scandal in Western Australia, it was certainly the situation relating to the Esperance Land and Development Company.

In the 1950s, the Labor Government of the day made a deal with Chase for the development of huge tracts of Western Australian land. That land

was being sought eagerly by Western Australian farmers; but they had no opportunity to avail themselves of the land. In its desire to bring in overseas capital, the Labor Government made a deal with Chase. Millions of acres were involved at a time when literally hundreds of Western Australian and Australian farmers were applying for the land.

At that stage, the excuse advanced was that by bringing in American capital with know-how, Chase would be able to develop the land more cheaply than individual Australians could do so. Chase could then sell the land to the Australians, and everything would be rosy. Of course, this did not happen.

Eventually the agreement entered into between the Labor Government and Chase was not fulfilled. Chase forfeited his rights under the agreement because he could not meet his obligations. One of the reasons was that the American experts came in with their know-how, and they refused to take any notice of the Australian experience. They ran into massive problems. Chase met with liquidity problems, and he could not fulfil his obligations.

The actions of the Labor Government were compounded by the Liberal-Country Party Government when it entered into an agreement with Chase, allowing him to sell his interests. He should have had no interests, because he had forfeited his rights by not being able to meet his obligations under the agreement. However, the Liberal-Country Party Government enabled him to sell his interests to what became the Esperance Land and Development Company.

I have been in Esperance on a few occasions. The agreements entered into still rankle with many people in the Esperance area. I heard earlier that the member for Roe indicated he would be speaking on this subject. No doubt he will expand on the points I have made.

If ever there was a need for an inquiry into a land scandal, there should have been an inquiry into the situation leading up to the formation of the Esperance Land and Development Company. Of course, we will have no such inquiry. Time has elapsed, and both of the major parties in this House were involved in the scandal.

Mr Skidmore: Were you part of the Government at the time it was done?

Mr STEPHENS: No, I was not in Government. I am going back to the 1950s.

Mr Blaikie: Are you suggesting that the Government was involved in a scandal?

Mr STEPHENS: The way it was wound up was scandalous. The member for Vasse can have his own time to make a speech. I have made my statement that it was a scandal. It should have been investigated.

Mr Blaikie: Like an empty bag!

Mr STEPHENS: We in Western Australia have known for some time that there has been a tremendous amount of foreign investment in our industries and in our resource development. *The National Times* of 28 June to 4 July ran a feature article headed, "How much industry can we call our own?" It mentioned that Australian manufacturing industry is controlled to the extent of about 40 per cent by overseas interests. Australia is second only to Canada in the amount of development that is foreign owned. The article goes on to indicate that a researcher from the transnational corporations research project at the Sydney University had told *The National Times* that—

... the unmentioned variable in the hunt for more foreign money was that though there will be a trend for the first decade to get net inflow of foreign investment, then you start to witness the cost of paying it back. This turns into a net outflow.

This gentleman's calculations showed that this point was reached as early as 1966-67 in the manufacturing industry, and in the early 1970s for oil and mining. Of course, people have advanced the theory that this has been necessary because there is insufficient capital in Australia, or there is insufficient interest by Australians in investing in development.

The article continues—

The Foreign Investment Review Board (FIRB) 1979 Annual Report noted: "The amount of funds provided by Australian investors to foreign-controlled enterprises is significant and has been steadily increasing throughout the 1970s ... of the net increase in funds employed in 1976-77 by these enterprises, more than half was derived from Australian sources.

A tremendous amount of money in Australia that is available for investment is invested in foreign-owned companies established in our own country. Yet in 1978 the Federal Government scrapped the official monitor recording of the arrival of hundreds of new overseas competitors, and the takeover of hundreds more local firms and foreign corporations. It was not particularly interested in monitoring what happened in this regard; and the same applies to rural and urban land. Of course, there is a lot of talk, but not much action.

Mr Bridge: Hear, hear!

Mr STEPHENS: As early as 1963, the late Sir John McEwan, who was at that time the Country Party Leader—

Mr Cowan: What party?

Mr STEPHENS: The Country Party. He was a genuine man who stood up for his policies. He was not prepared to sell his organisation down the drain.

Mr Blaikie: You are in an unusually bad mood tonight.

Mr Cowan: When I hear such things as have been said about foreign investment tonight, I automatically become rather angry.

Mr Sibson interjected.

The SPEAKER: Order!

Mr STEPHENS: I have only a few minutes. I am sure you will keep members in order, Mr Speaker. I was waiting in the hope that, by not replying to their interjections, they would keep quiet.

The SPEAKER: It was your colleague who was trying to help you.

Mr STEPHENS: In 1963, the late Sir John McEwan said—

There has been an increasing tendency for capital to flow into Australia not to establish some new and highly complicated activity, but to come in to buy out an Australian flour mill or an Australian dairy factory, sometimes a co-operative.

I make it quite clear that I can't welcome the transference of ownership to overseas people of these simple food processing activities which have been actually established by Australians, and in many cases successfully operated by Australians for more than half a century. We in this room are mostly established farmers. If we earn enough annual income we can live comfortably. If we don't we could still live by selling a bit of the farm each year, and that is pretty much the Australian situation—we are not earning enough, and we are selling a bit of our heritage each year.

If we consider the newspapers in past weeks, we realise that the situation was far more serious in 1980. Most of these papers have already been referred to earlier in this debate by the member for Warren, and I do not intend to bore the House by going into any great detail. The other reason, of course, is that I will not have the time.

In *The Bulletin* on 2 June 1981 appeared the headline, "Foreign money pours into Australian

property". The article goes into great detail, pointing out that from April 1976 to 1980, rural land sales totalled 13 972 000 hectares, involving a total value of \$190 million. In *The Western Mail* on Saturday, 13 June, one saw the headline, "Concern grows over big land grabs".

In the *National Farmer* of 25 June, we saw the headline, "The great land sellout". Under that headline, the following comment appeared—

In four years foreign investors bought Australian rural land equal in area to the total land cropped to wheat.

Finally, in the *Daily News* on 19 August the following appeared—

Foreign Investment Review Board figures show that, in 1981, \$18.7 million of overseas capital was invested in WA rural land—more than double the \$8.5 million of the previous year.

We can see there has been a tremendous escalation in the amount of finance coming into Australia to buy out rural Australia and rural Western Australia. Of course, as a State Parliament we are concerned about Western Australia.

The headlines I have read indicate the tremendous concern that is being expressed. It belies the puerile attempt of the Minister for Agriculture to discount the involvement of foreign interests in the purchase of Australian land.

One aspect which has been overlooked totally is that the Foreign Investment Review Board figures relate to foreign purchases above a certain figure which have been registered. They cannot relate to purchases that have been hidden by various subterfuges.

Some time ago I discussed this question with an accountant with a view to moving a substantive motion to indicate the way in which we should approach the control of foreign ownership of Australian land. There are many ways of circumventing the true identity of ownership. I suggest to the Minister and to this House that, just as many people have used accountants for tax avoidance schemes, others are using the corporate structures in Western Australia to avoid identifying their purchases of land. Of course, we have nominee companies acting as fronts for land buyers so that the actual buyers are not known. A solicitor can take out a declaration of trust, and once again the real beneficial owner is not identified.

Some Australian companies are owned totally by foreigners. Once again, there is no way of identifying the real owner of the land. The

accountant with whom I spoke said that one can take out a contract of sale, and the contract could be kept going in perpetuity. The only person whose name appeared on the contract of sale would still have title to the land, but until the deal under the contract of sale was completed, there would be no registration of the title and the buyer would not be identified. There are many ways in which identification of the buyer can be and is being avoided.

Most importantly, we do not know all the schemes that are being used to acquire Australian land, and Western Australian land in particular. The member for Warren moved a motion seeking a Select Committee. When his motion is analysed, one feels that all he is wanting to do is to inquire into the monitoring aspect. The member for Warren was most critical of the monitoring by both the State and Federal Governments. He was right in adopting that attitude.

As the member for Warren pointed out, the Governments have talked about monitoring, but they have not come to grips with the problem of ascertaining the amount of land involved, or of taking steps to ensure that only the people who are prepared to migrate and live in the State can acquire the land.

The amendment moved by the Minister for Agriculture does not come to grips with the problem of finding ways and means to retain the ownership of Western Australian land in Western Australian hands.

Time prevents me from detailing each of the points in the Minister's amendment, but in order to overcome the problem and to give this House an opportunity to come to grips with the rural situation, it is my intention to move the following amendment—

Delete all words after the words "should be" in line 6 with a view to—

The SPEAKER: Order! I am not surprised the member is endeavouring to move to amend as he is, because it has been apparent to me all the way through his speech that he has not been aware of the question before the Chair which is to delete all words after the word "House" in line 1 and I cannot accept the amendment the member seeks now to move.

Mr STEPHENS: I take your point, Sir, and I appreciate I shall have to move that at the next stage of the debate. However, I should like to let the House know it is my intention so to move.

In order that members may be aware of what I propose, I shall indicate the substance of my amendment which is as follows—

Delete all words after the words "should be" in line 6 with a view to inserting the following words—

A Select Committee of this House to investigate and recommend appropriate measures to retain maximum ownership of Western Australian land in Australian hands.

The inquiry to pay special regard to—

- (a) the magnitude and source of recent overseas investment in Western Australian real estate (in general) and Western Australian farm land in particular; and
- (b) the implication of these trends continuing.

Mr Evans: Why don't you delete all the words after the word "That"?

Mr STEPHENS: I do not think I would be permitted to do that.

We support the amendment to the point that it enables us to move another amendment.

MR GREWAR (Roe) [9.32 p.m.]: Twenty-five years ago foreign investment focused on Esperance when a Labor Government of this State, by agreement with American investors, offered 1.3 million acres to these investors for farm development purposes.

Mr Laurance: They sold off "the farm", didn't they?

Mr GREWAR: They were selling off "the farm" and, as a matter of fact, it was half of our total alienated area at the time. This land was sold for a few shillings an acre on the condition that a certain percentage was developed into pasture.

The SPEAKER: Order! Before the member proceeds with his speech, I want to point out to the House that the leniency I extended to the member for Stirling was more than I should have. The question before the Chair is to delete all words after the word "House" in line 1. I do not think it appropriate for members to rise on that question and make a speech they might have been intending to make on the main motion moved by the Deputy Leader of the Opposition.

Leave to Continue Speech

Mr GREWAR: I move—

That I be given leave to continue my speech at a later stage of the sitting.

Motion put and passed.

Debate (on amendment to motion) thus adjourned.

BILLS (2): RETURNED

1. Workers' Compensation Amendment Bill.
2. Cattle Industry Compensation Amendment Bill.

Bills returned from the Council without amendment.

LEGAL PRACTITIONERS AMENDMENT BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr O'Connor (Deputy Premier), read a first time.

Second Reading

Leave granted to proceed forthwith to the second reading.

MR O'CONNOR (Mt. Lawley—Deputy Premier) [9.36 p.m.]: I move—

That the Bill be now read a second time.

This Bill deals with two matters, the first being a proposal to increase the number of elected members of the Barristers' Board from the present seven to nine.

When the Legal Practitioners Act was first enacted in 1893, it provided for five elected members and this number was subsequently increased to seven in 1973.

Since 1973 the number of practitioners on the roll has increased from less than 600 to more than 1 300 and the numbers in practice from about 400 to more than 900.

An increase from seven to nine elected members will allow a more adequate representation of the profession and also make easier the task of finding sufficient members to constitute a quorum for disciplinary inquiries. The number of inquiries and the length of time they take are each increasing, and it is a constant strain on the present membership of the board to provide a quorum at all times.

The quorum for a meeting of the Barristers' Board is currently four and this will remain.

The second proposal is to repeal the present requirements of sections 9(a) and 15(1) that an articulated clerk and a candidate for admission as a practitioner must respectively be British subjects.

The Barristers' Board has adopted a policy, developed in consultation with most admitting authorities in Australia, which requires an overseas lawyer to have an acceptable standard of legal training in the common law tradition and a

demonstrated knowledge or experience in basic areas of law sufficient to fit the person to practise in those areas in Australia.

The board has, therefore, formed the view that the requirement that an articulated clerk or candidate for admission be a British subject is no longer a necessary or appropriate requirement for the practice of law in Western Australia.

With the exception of Queensland, which has an alternative method of admission, other States and Territories in Australia no longer have a British subject requirement.

The board's view is that the removal of the British subject requirement will not produce any flood of admissions of dubiously qualified lawyers to practise here.

The basic areas of law in which overseas lawyers seeking admission must demonstrate knowledge or experience are contract, tort, criminal law, real and personal property, and Australian constitutional law.

In addition, policy requires most overseas applicants to spend some time in a local law office before admission or before they are free to practise on their own account. It will, therefore, be appreciated that the Barristers' Board now has a thorough and adequate basis on which to consider applications for admission.

It is pointed out that a committee under the chairmanship of Mr Justice Brinsden is inquiring into the future organisation of the legal profession, and the amendments proposed in this Bill are not intended in any respect to pre-empt the work of that committee.

Action is being taken now to ensure that the Barristers' Board is able to continue to operate effectively with the increasing demands presently being placed upon it.

I commend the Bill to the House.

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

House adjourned at 9.38 p.m.

QUESTIONS ON NOTICE

LIQUOR: LICENSING COURT

Hotels

1649. Mr BRIAN BURKE, to the Chief Secretary:

- (1) Has the Licensing Court checked—
 - (a) the provision and occupancy of beds; and
 - (b) the table service in dining rooms; in hotels in Western Australia?
- (2) If "Yes", when were such checks carried out, and what were the results?

Mr HASSELL replied:

- (1) (a) Yes.
(b) Yes.
- (2) All hotels are inspected at least once a year. The inspection report is retained as a confidential record by the Licensing Court. The results of a particular inspection can be made available confidentially if the member has a particular reason for seeking the information.

MINISTERS OF THE CROWN: HONORARY

Staff

1659. Mr BERTRAM, to the Premier:

With reference to his answer to question 1503 of 1981 relating to Honorary Ministers and the cost, would he give an estimate of the present annual cost to the taxpayers of the ministerial staff for each of the two Honorary Ministers?

Sir CHARLES COURT replied:

In view of the details of positions and Public Service classifications given in reply to question 1503 of 13 August 1981, it would be reasonable to assume that the member could make his own estimate of the present annual cost of the staff concerned.

However, I invite the member's attention to question 1269 when I explained that some of the cost was absorbed by re-arrangement of staff and facilities.

HOUSING: BUILDING SOCIETIES

Repayments: Differences

1669. Mr BATEMAN, to the Honorary Minister Assisting the Minister for Housing:

- (1) Will he explain the reasons why single income families who borrow \$25 000 from a building society have a monthly repayment of \$320, whereas in the situation of a husband and wife both working they are required to pay \$420 per month on the same amount of loan?
- (2) If not, why not?

Mr LAURANCE replied:

- (1) and (2) As a result of higher interest rates, some societies have reduced the repayment capacity from 30 per cent to 27½ per cent of the breadwinner's income. In the case of joint incomes a repayment capacity of 33½ per cent is allowed provided approximately 20 per cent of the wife's income is added to the repayment for a three to five year period.

At the end of this period the balance of the loan should be reduced sufficiently so that only 27½ per cent of the breadwinner's income would be required to service the balance of the loan over the remainder of the term.

By increasing the repayment capacity to 33½ for joint incomes the amount that may be borrowed is increased from \$21 000 to \$25 000 for a family where the breadwinner is earning \$10 300 per annum.

For a single income family to borrow \$25 000, the breadwinner's income needs to be \$12 600 per annum.

1670. *This question was postponed.*

PORT: GEOGRAPHE BAY

Public Works Department: Report

1671. Mr SKIDMORE, to the Minister representing the Minister for Conservation and the Environment:

In regard to the proposed fishing boat harbour development at Geographe Bay, as reported by the Engineering Division of the Public Works Department—tabled paper No. 356—would the Minister advise:

- (1) Have any environmental studies been undertaken in regard to the proposal and in particular regarding the quarry as mentioned on page 20, paragraph 4.1 of the report?
- (2) If "Yes" to (1), would the Minister table the report of the studies made?
- (3) If "No" to (1), when will the studies be carried out to ensure that no damage will be sustained by the environment in the area concerned?

Mr O'CONNOR replied:

- (1) Investigation work carried out by the Public Works Department has covered many aspects of the environment, concentrating on the marine and shoreline areas. These aspects are detailed in the report.
- (2) and (3) Quarry investigations to date have resulted in defining the availability of the resource and assessing the visual effect of quarrying. Detailed design to ensure minimal effect on the environment of the area has not yet been carried out.

CONSUMER AFFAIRS: KEROSENE

Plastic Containers

1672. Mr SKIDMORE, to the Minister for Mines:

Further to my question 1573 of 1981 and in particular I make reference to answer (4) given, can he advise the names and addresses of NATA registered laboratories that can carry out tests that will meet the requirements of clause 126(1) of the flammable liquid regulations 1967?

Mr P. V. JONES replied:

The National Association of Testing Authorities is listed in the Perth Telephone Directory (361 6244) and would be able to provide a comprehensive list of all registered laboratories.

The Government Chemical Laboratories is an example of a NATA registered laboratory which would be approved for testing to Australian Standard 1936-1976, Plastic Containers for the Transport of Materials.

MINING

Aramac Nominees Pty. Ltd.

1673. Mr SKIDMORE, to the Minister for Mines:

- (1) Further to my question 1574 of 1981 relevant to applications for coal mining leases by Aramac Nominees Pty. Ltd., will he advise as to whether or not any objections have been lodged against the proposed application for such leases?
- (2) If "Yes", would he advise the names of the objecting parties?

Mr P. V. JONES replied:

- (1) Yes.
- (2) Barry Alfred Cooper lodged objections against coalmining leases 70/11335, 70/11338 and 70/11354 on 19 August, 1981.

FISHERIES

Albany Fishermen's Co-operative

1674. Mr SKIDMORE, to the Honorary Minister Assisting the Minister for Industrial Development and Commerce:

- (1) Were any loans made or guarantees offered and accepted by the Albany Fishermen's Co-operative that has recently indicated that it is in financial difficulties?
- (2) Has he investigated the reasons for the failure of the co-operative and if so would he table a report on the issue?

Mr MacKINNON replied:

- (1) and (2) I assume the member is referring to the Mandurah and South West Fisherman's Co-operative Ltd. which had a facility located in Albany. If that is the case, I advise that financial assistance for this co-operative was sought from the Government. The application was declined. I am not prepared to table any reports related to this decision.

FISHERIES

Foreign Agreements

1675. Mr SKIDMORE, to the Minister representing the Minister for Fisheries and Wildlife:

- (1) Further to my question 1576 of 1981 in which I asked as to the types of fish

caught per year, would the Minister now advise the types of fish that have been caught by overseas fishermen who have had agreements ratified by the Western Australian or Federal Government?

- (2) What was the tonnage of fish caught under those agreements?
- (3) Who were the Western Australian participants in those agreements?

Mr O'CONNOR replied:

(1) to (3) This information is lodged with the Department of Primary Industry, Fisheries Division, Canberra. The information has been requested and will be made available to the member when received.

FISHERIES

Geographe Bay

1676. Mr SKIDMORE, to the Minister representing the Minister for Fisheries and Wildlife:

- (1) How many professional fishermen operate out of Geographe Bay?
- (2) Are statistics kept of the type and tonnage of fish caught by professional fishermen in Western Australian waters?
- (3) If statistics are kept, would the Minister table such statistics covering the last five years?
- (4) Would the Minister table a map of the fishery that is fished from Geographe Bay that would indicate—
 - (a) the extent of the fishery;
 - (b) its distance from the proposed fishing harbour site at Geographe Bay;
 - (c) the types of fish caught in the last five years in that fishery;
 - (d) the tonnage of such fish caught?

Mr O'CONNOR replied:

- (1) The information is tabled.
- (2) Yes.
- (3) The information is tabled.
- (4) (a) to (d) Reports Nos. 36 and 37, published by the Department of Fisheries and Wildlife, provide the information required and are tabled. The map at figure 3 of report No. 36 provides such detail information as is available.
The papers were tabled. (See papers Nos. 375, 376 and 377).

EDUCATION: WA SCHOOL OF MINES

Laboratories

1677. Mr I. F. TAYLOR, to the Minister for Works:

With reference to his answer to question 1514 of 1981, what were the comparative prices for local bricks and clay bricks in the technology building-metallurgical laboratories at the Kalgoorlie School of Mines?

Mr MENSAROS replied:

The use of the local concrete block would have resulted in an extra to the contract of approximately \$12 000.

HOSPITALS

Kalgoorlie Regional

1678. Mr I. F. TAYLOR, to the Minister for Works:

- (1) With reference to his answer to question 1514 of 1981, will he ensure that plans and specifications for all stages—including stage two—of the planned Kalgoorlie Regional Hospital development do not specifically or otherwise preclude the use of local bricks?
- (2) If not, why not?

Mr MENSAROS replied:

- (1) Yes.
- (2) Not applicable.

EDUCATION: PRIMARY SCHOOL

Carawatha

1679. Mr HODGE, to the Minister for Education:

Will there be any delay or reduction in funds available for the school library acquisition programme at the Carawatha Primary School?

Mr GRAYDEN replied:

Yes, there will be some delay in the allocation of some library funds to Carawatha Primary School.

The library funds for schools consist of two parts. The major part is an allocation which enables schools to select library materials from an extensive list prepared by the Library Services Branch of the Education Department. This list has been sent to schools and they have been notified of their allocations. The other part, a direct cash grant, has not been sent to schools pending clarification of the Budget situation for 1981-82. Schools have been notified of this situation.

EDUCATION

School Nurse

1680. Mr HODGE, to the Minister for Education:

Is it a fact that because the department has decided not to replace a school nurse, who will be on accouchement leave, the Melville Senior High School, the Attadale Primary School, Attadale Kindergarten, Melville Primary and Melville Junior Primary Schools, will all be without a nurse for the entire third term?

Mr GRAYDEN replied:

Routine medical screening has been completed and for the remainder of the year a visiting nurse service will be provided to the primary schools and kindergarten by a Public Health Department nurse. An emergency service will be available to all schools listed in the question.

EDUCATION: PRIMARY SCHOOL

Bicton

1681. Mr HODGE, to the Minister for Education:

Is it likely that because of the education cutbacks the expected refurbishing of the Bicton Primary School will not proceed?

Mr GRAYDEN replied:

Because of reduced funds available to the State for capital works, some projects will have to be undertaken later than expected. Details of the modified programme are being considered and

advice on projects to be undertaken in the 1981-82 works programme will be available in the Budget.

EDUCATION: PRIMARY SCHOOL

Palmyra

1682. Mr HODGE, to the Minister for Education:

- (1) Has the Palmyra Primary School received its full library grant?
- (2) If "No", why not?

Mr GRAYDEN replied:

- (1) No.
- (2) The library grant for Palmyra Primary School consists of two parts. The major part is an allocation to the school which enables it to select library materials from an extensive list prepared by the Library Services Branch of the Education Department. The school's allocation for this part is \$520. The other part, a direct cash grant, has not been sent to the school pending clarification of the Budget situation for 1981-82. The school has been notified of this situation.

1683. *This question was postponed.*

REPORTS

Tabling

1684. Mr SKIDMORE, to the Minister for Resources Development:

Would he table the following reports—

- (a) "Cape Naturaliste-Dunsborough, Breakwater Materials Search. Geological Report", Geological Survey of WA, Engineering Geology Report EG 223, December 1980;
- (b) "The Southwest Fishery" paper presented by J. Stratton to a meeting of the south-west regional development committee in Bunbury, 20 November 1978;
- (c) The Public Works Department of WA, "Geographic Bay Small Boat Harbour Investigations", Plan Book PWDWA 51328?

Mr P. V. JONES replied:

- (a) and (c) I am advised that the reports were prepared under the jurisdiction of the Public Works Department, and I suggest the member direct his question to the Minister for Works.
- (b) I am advised that "The Southwest Fishery" paper was prepared by a private firm and it would not be proper for me to table a copy.

MEAT: INDUSTRY

Employees

1685. Mr EVANS, to the Minister for Agriculture:

- (1) What was the maximum number of employees employed in any one month in 1980 in the following industries—
 - (a) abattoirs;
 - (b) boning rooms and meat processing rooms;
 - (c) sheep and lamb skin processing;
 - (d) tallow industry;
 - (e) bone meal industry;
 - (f) fertiliser by-products industry?
- (2) What are the numbers employed in these industries at this time?

Mr OLD replied:

- (1) and (2) This information is not known by my department.

STOCK: SHEEP

Export: Live

1686. Mr EVANS, to the Minister for Agriculture:

What number of sheep is it expected will be shipped live in 1981 from—

- (a) Australia;
- (b) Western Australia?

Mr OLD replied:

- (a) The Australian Meat and Livestock Corporation predicts 5.6 million sheep will be exported live from Australia during 1981.
- (b) The Western Australian Department of Agriculture predicts 3.3 million sheep will be exported live from Western Australia during 1981.

STOCK: LAMBS

Export

1687. Mr EVANS, to the Minister for Agriculture:

- (1) Which abattoirs are expected to kill lambs for the export trade in the forthcoming season?
- (2) How many lambs is it expected will be exported from Western Australia in the coming season?

Mr OLD replied:

- (1) Robb Jetty
Metro Meat, Katanning
Metro Meat, Geraldton
Smorgons, Linley Valley
Tip Top Meats, Linley Valley.
- (2) This information is not available at this time.

SHEEPSKINS

Treatment

1688. Mr EVANS, to the Minister for Agriculture:

- (1) Did Messrs. C. A. Money and J. G. Scroggie of the leather research group of the CSIRO bring down a report on the effect of pour-on veterinary products on sheepskins in July 1981?
- (2) If "Yes", were there any products which were considered harmful to lamb and sheep skins, and if so, to what extent of skins treated?
- (3) Is it proposed to take any action regarding any of these chemicals, and if so, what action and on what chemicals?

Mr OLD replied:

- (1) Yes.
- (2) The report showed that the product "Clout" can have a range of effects on tanned wool skins. Variation occurs in the incidence and seriousness of the damage. The study reported that in strong woolled merino flocks, at least 20 per cent of skins tested showed serious problems in the finished wool skins. Studies by the Department of Agriculture support this finding.
- (3) I understand that the following action is in hand—

The technical committee on veterinary drugs, which has representation from all States, is

currently reviewing the registration of this product.

The company has taken steps to alert farmers to the side effects of the product.

The Department of Agriculture and CSIRO are continuing their investigations of the product.

HOUSING: RENTAL

Rents: Increases

1689. Mr DAVIES, to the Honorary Minister Assisting the Minister for Housing:

- (1) When six-monthly adjustments are made to the rents of houses occupied by persons such as pensioners, who are on a subsidised rental, are increases now limited to \$5 per week, as in the past, or has this policy now been abandoned?
- (2) If so, what is the new policy?

Mr LAURANCE replied:

- (1) The increases are limited to moieties of \$5 per week each six months where family circumstances are unchanged, unless the increase does not exceed \$6 when the full increase is implemented.
- (2) Answered by (1).

1690. *This question was postponed.*

HOSPITAL

Geraldton Regional

1691. Mr CARR, to the Minister for Health:

- (1) Will he please detail the arrangements to apply at Geraldton Regional Hospital from 1 September 1981 in so far as funding arrangements with local doctors are concerned?
- (2) In the case of persons who do not qualify for pensioner health cards, low income health cards, or any other form of free treatment and who have taken out hospital insurance, but not medical insurance, and who attend the hospital as—
 - (a) inpatients;
 - (b) outpatients;
 will their doctors' bills be met by the hospital?

Mr YOUNG replied:

- (1) Private doctors who wish to participate in the treatment of hospital service patients shall be paid at the rate of 80 per cent of the standard fee for both inpatient and outpatient treatment at the Geraldton Regional Hospital. This applies to all public hospitals, apart from teaching hospitals.

No information is available as to how many doctors will agree to treat hospital service patients in Geraldton. However, the form devised for election for admission clearly indicates that both doctor and the patient have agreed that treatment will be provided as a hospital service patient and thus no difficulty is anticipated with the management of elective admissions. It is normal practice that doctors will provide treatment in an emergency irrespective of ability to pay or the patient's insurance status. However, private doctors are not obliged to provide treatment at hospital to patients who have hospital only insurance if they do not wish to do so. Any doctor who wishes to adopt this policy should advise the hospital.

A roster of private doctors willing to treat patients with hospital only insurance will be established at Geraldton Regional Hospital, if this is considered to be appropriate, after discussions between the hospital administration and the local doctors.

- (2) (a) and (b) Patients who are sufficiently prudent to take out hospital insurance will have medical fees paid per item of service rendered as both inpatients and outpatients at 80 per cent of the standard fee item on the Commonwealth Medical Benefit Schedule.

FUEL AND ENERGY: GAS

North-West Shelf: Pipeline

1692. Mr HARMAN, to the Minister for Fuel and Energy:

- (1) How many compressor stations will be required to service the north-west gas pipeline to Wagerup?
- (2) What is the timetable for the installation of each station?

Mr P. V. JONES replied:

- (1) I am advised that the project manager's design specifications provide for nine. The pipeline is designed to provide for longer-term growth in the quantity of gas transported, which would ultimately require up to 20 compressor stations.
- (2) Up to six compressor stations will be constructed initially, with further stations being built as the gas demand makes this necessary.

MINING: DIAMONDS

Cutting Industry

1693. Mr HARMAN, to the Minister for Mines:

What arrangements has he made which would lead to the establishment of a diamond cutting industry in Western Australia based on Kimberley diamonds?

Mr P. V. JONES replied:

Negotiations for the establishment of a diamond mining industry in Kimberley are currently in progress. As the member is aware, in such agreement Acts the opportunity is taken for processing obligations to be incorporated where feasible. It is intended that there will be processing requirements in the agreement Act, which will also contain the basis on which royalties will be paid to the State.

MINING: DIAMONDS

Royalties: Ashton Joint Venture

1694. Mr HARMAN, to the Minister for Mines:

What is the basis upon which a royalty rate has been fixed for diamonds mined by the Ashton joint venture in the Kimberley region?

Mr P. V. JONES replied:

I refer the member to the answer given to question 1693.

MINING: DIAMONDS

Volume: Estimates

1695. Mr HARMAN, to the Minister for Mines:

In view of conflicting reports of the estimated volume of diamonds proved to date at the Ashton joint venture site AK1, will he inform the House of the estimate by the Government?

Mr P. V. JONES replied:

The Government has not independently estimated the quantity of diamonds in the AK1 kimberlite pipe. Differing reports have been circulated which have apparently been designed in some instances to suggest higher quantities and values than may prove to be the real situation.

Work done to date is insufficient to allow calculation and real value of proven reserves.

TOWN PLANNING: BOARD

Dianella Drive

1696. Mr WILSON, to the Honorary Minister Assisting the Minister for Housing:

- (1) Has the State Housing Commission submitted a plan or diagram of survey of the revised subdivisional layout incorporating Dianella Drive, for the Town Planning Board's endorsement?
- (2) If "Yes", when does it expect to receive such endorsement and supply me with a copy of the plan?

Mr LAURANCE replied:

- (1) Yes.
- (2) Details of the Town Planning Board conditional approval have now been received. A plan reflecting these approvals is now being drawn and a copy will be forwarded to the member early next week.

EDUCATION

School-to-work Transition Funds

1697. Mr WILSON, to the Minister for Education:

- (1) Are any school-to-work transition programmes involving the expenditure of Commonwealth funds already operating in Western Australia?

- (2) If "Yes"—
- what form are these programmes taking;
 - where are they being conducted;
 - how many young people are involved?
- (3) What contribution is the State Government making towards these programmes?
- (4) Are all Commonwealth funds being made available for such programmes being channelled through the Education Department?
- (5) If "No", what other agencies are in receipt of such funds and what programmes are being operated by them?
- (6) Is the State Government continuing to refuse further Commonwealth funds for such programmes because of special conditions being imposed by the Commonwealth?
- (7) If "Yes", does continuing refusal to accept the funds on the Commonwealth's terms involve a real risk of such funds being lost to this State?
- (8) Does the Government envisage all school-to-work transition programmes being based on educational institutions?
- (9) If "No", what other agencies or organisations does it envisage as being involved in initiating and running such programmes with Government funding?

Mr GRAYDEN replied:

- Yes.
- Link courses, EPUY courses, foundation for employment courses, basic skills, pre-apprenticeship, work experience, career education, guidance and counselling.
 - Mainly in technical colleges and secondary schools.
 - 590 in specific courses in technical colleges. Many thousands in career education and work experience courses in high schools.
- The State Government funds a large number of programmes of the same type. Commonwealth funds have been used to further expand provision in this area.

- No.
- Community colleges and private schools.
- No. Negotiations between the Commonwealth and all State Governments are continuing.
- Not applicable.
- No.
- Community-based agencies or organisations.

TRAFFIC: MOTOR VEHICLES

Dealers: Unlicensed

1698. Mr WILSON, to the Minister for Consumer Affairs:

- What is the anticipated cost involved in the temporary employment of two retired police officers to investigate the operations of unlicensed used car dealers?
- For what period will the two persons concerned be employed in this task?
- Why has the used car dealer squad of the Road Traffic Authority, which is already established to deal with such problems, not been assigned to this task on a permanent basis to save the cost of employing the two temporary investigators?

Mr O'CONNOR replied:

- If the two investigators are employed for 12 months the salaries and expenses are estimated to be approximately \$50 000 overall.
- Up to 12 months, dependent upon results achieved.
- The Road Traffic Authority is authorised under the Motor Vehicle Dealers Act to deal with certain situations in licensed dealers' yards, but not the particular problem of investigating sales of secondhand motor vehicles by unlicensed dealers which is a breach of the Motor Vehicle Dealers Act. Whoever handles the situation will require additional staff operating solely on this task and it is appropriate at present for the department administering the Act to control the situation following successful results achieved previously.

TRAFFIC: MOTOR VEHICLES

Dealers: Unlicensed

1699. Mr WILSON, to the Minister for Police and Traffic:

- (1) Is he aware of any concern that has been expressed about the unroadworthiness of used motor vehicles sold by unlicensed car dealers?
- (2) Has he refused to allow the used car dealer squad of the Road Traffic Authority to be involved in the investigation of unlicensed car dealers?
- (3) If "Yes", what is the reason for his refusal?

Mr HASSELL replied:

- (1) Yes.
- (2) and (3) The Road Traffic Authority is authorised under the Motor Vehicle Dealers Act to deal with certain situations in licensed dealers yards but not the particular problem of investigating sales of secondhand motor vehicles by unlicensed dealers, which is a breach of the Motor Vehicle Dealers Act.

Whoever handles the situation will require additional staff operating solely on this task and it is appropriate at present for the department administering the Act to control the situation following successful results achieved previously.

COMMUNITY WELFARE

Distressed Persons' Relief Trust

1700. Mr WILSON, to the Treasurer:

- (1) Can he confirm that with a further anticipated advance in December of \$29 000 from an original fund of \$290 000 receipts duty made available for assistance to needy people through the distressed persons' relief trust, the fund will be extinguished?
- (2) If "No", what will be the state of the fund after the anticipated advance to the trust in December?

- (3) What plans does the Government have for the further operation of the fund and any extension of the work of the distressed persons' relief trust in view of the statement contained in the trust's 1980 annual report that "The continuing growth in number of applications for assistance and the increased amounts of money needed to alleviate the particular areas of distress have to a large extent been brought about by higher charges for Government services, particularly electricity, which adversely affects that section of the community least able to afford them"?

Sir CHARLES COURT replied:

- (1) The final appropriation from the original fund will be made in 1981-82.
- (2) Not applicable.
- (3) The future funding of the distressed persons' relief fund is under consideration. However, I can assure the member that the trust will continue to receive Government support.

HOUSING: BUILDING SOCIETIES

Home Loan Funds

1701. Mr WILSON, to the Premier:

- (1) Is he concerned by reports that apparently large amounts of funds which would normally be available from building societies for loans to home buyers are being diverted to commercial borrowers at a preferred rate to the ordinary home loan rates?
- (2) If "Yes", is he aware of the degree to which this practice is operating and what action can the Government take to discourage this diversion of home loan funds to commercial borrowers?

Sir CHARLES COURT replied:

- (1) and (2) I am unaware of the reports referred to, but it is a fact that a small proportion of building societies' investment funds are being directed to other areas primarily in the shelter industry where the return is higher than on owner-occupier loans.

The effect of this is to average down the interest cost to the owner-occupier, and the amount of funds that can be loaned to commercial borrowers is limited by provisions in the Building Societies Act 1976-1978, and the income tax provisions relating to building societies.

POLICE

Mr Zdzislaw Prasalowski

1702. Mr WILSON, to the Treasurer:

- (1) With respect to consideration being given by him to a request for payment under the Criminal Injuries (Compensation) Act to Mr Z. Prasalowski in terms of the order of the District Court of 28 May 1981, is such payment to be made subject to a requirement that action must first be taken to recover the amount involved from the person responsible for inflicting the injuries?
- (2) If "No", when does he expect to reach a decision with respect to this application for payment of compensation?

Sir CHARLES COURT replied:

- (1) No.
- (2) Approval for payment was given on 24 August 1981 and is at present being processed.

EDUCATION: HIGH SCHOOLS

Boundaries

1703. Mr WILSON, to the Minister for Education:

What changes, if any, will be made to the boundaries of—

- (a) Balga Senior High School;
- (b) Girrawheen Senior High School;
- (c) Mt. Lawley Senior High School;
- (d) John Forrest Senior High School;
- (e) Morley Senior High School;

for the 1982 school year?

Mr GRAYDEN replied:

- (a) and (b) Discussions are scheduled for early third term with the principals of these two schools to seek a rationalisation of the boundaries between them.

- (c) The intake area is to be extended to include the following students—

- (i) Year 7 from Kyilla Primary School;
- (ii) Year 7 from Yokine Primary School living on the south side of Blythe and Woodrow Avenues, and south thereof.

- (d) and (e) No change.

EDUCATION: HIGH SCHOOL

Mirrabooka

1704. Mr WILSON, to the Minister for Education:

- (1) What will be the new boundaries for Mirrabooka Senior High School to apply from the beginning of the 1982 school year?
- (2) What are the predicted enrolments for each year in 1982 on the basis of these new boundaries?
- (3) What decisions, if any, have been made regarding special courses to be offered at the school in 1982?
- (4) If the new boundaries have not yet been finalised, when is it anticipated that they will be?

Mr GRAYDEN replied:

- (1) and (4) Present planning for intake from contributory primary schools will be finalised later in the year when the following proposals are formalised. Existing arrangements for students from Westminster, Nollamara and Mirrabooka Primary Schools will be unchanged and the following intake from Year 7 will be added—
- (a) All students from Tuart Hill Primary School will be zoned for Mirrabooka Senior High School.
- (b) Students attending Osborne Park and living east of Main Street will have the option of attending Mirrabooka or Balcatta Senior High Schools.
- (c) Students attending Yokine Primary Schools living on the north side of Blythe and Woodrow Avenues and north thereof, will be zoned for Mirrabooka Senior High School.

(2)

Year	No.
8	311
9	199
10	217
11	137
12	43
	<hr/>
	907
	<hr/>

- (3) Instrumental music lessons will be introduced in 1982 and other special courses will be considered as Mirrabooka Senior High School gains more pupils from its expanded intake area over the following two years.

RAILWAYS

"Prospector" Service

1705. Mr GRILL, to the Minister for Transport:

- (1) Is he aware that there is a mandatory charge of \$6 for meals on the *Prospector* train on certain sections of the journey?
- (2) Is he aware that a charge of \$6 is often a burden to pensioners who often either do not want or cannot eat a meal?
- (3) Is he aware that there are strong feelings east of Merredin against such a mandatory charge?
- (4) Will he look into the subject and either arrange for the State Government to pay for meals for pensioners on the *Prospector* service or make the meal charge a voluntary charge?

Mr RUSHTON replied:

- (1) Yes.
- (2) The charge of \$6 is reasonable for the meal and service provided. Special diet meals are available provided adequate notice is given.
- (3) and (4) This matter has been examined from time to time and is currently being reviewed by Westrail.

EDUCATION

WA Education News

1706 Mr GREWAR, to the Minister for Education:

- (1) Has he read the article titled "Women at a Disadvantage" in the *WA Education News* of 20 August?

- (2) Does the department accept the fact that female teachers could be equally effective in senior or administrative positions as male teachers?
- (3) Is he aware that there is dissatisfaction among female teachers, who have greater seniority and higher degrees than male teachers, in not being able to reach principal status?
- (4) Does the department propose to alter regulations to enable female teachers to reach promotional positions in primary schools in Western Australia?
- (5) If "No" to (4), why not?

Mr GRAYDEN replied:

- (1) Yes.
- (2) Yes, if they have the requisite qualifications.
- (3) There is no impediment to promotion for teachers with greater seniority and higher degrees.
- (4) There are no bars at present.
- (5) Not applicable.

QUESTIONS WITHOUT NOTICE

ELECTORAL BOUNDARIES

Commission: Report

410. Mr JAMIESON, to the Chief Secretary:

- (1) Is it a fact that the Electoral Commissioners' first report on boundaries is due for release on Friday next?
- (2) Will members be provided with copies of the report at Parliament House shortly after midday on Friday, as has been the past procedure for release?

Mr HASSELL replied:

- (1) The position is that the first report of the Electoral Commissioners will be published in the *Government Gazette* at noon on Friday of this week.
- (2) Today I made some inquiries as to what arrangements can be made for copies of the report made available at this House for members, most of whom will have some interest in the subject.

An Opposition member: A passing interest! With what result?

Mr HASSELL: I do not have the answer yet but I have made the inquiries.

WORKERS' COMPENSATION BILL

Industrial Disease Provisions

411. Mr COYNE, to the Minister for Labour and Industry:

Referring to the Workers' Compensation Bill in general and the section relating to the Silicosis and Pneumoconiosis provisions in particular—

- (1) Has the Minister read a press statement in last Friday's edition of the "*Kalgoorlie Miner*" headed "Labor MPs Attack Claim By Coyne"?
- (2) If the answer is "yes", would the minister inform the house whether the imputation contained therein by Goldfields' members Grill and Taylor is a fair and accurate recount of the background activity of the member for Murchison-Eyre as it relates to properly representing the case for silicosis affected ex miners.

Several members interjected

Mr COYNE: To continue—

- (3) Further, could he indicate whether either of these Goldfields' members made any contribution or submissions to him in respect of the proposals in the Workers' Compensation Bill.
- (4) Could the Minister outline the investigatory work undertaken by the Murchison member to properly represent the interests of underground workers and ex miners who are or could be potentially affected by silicosis or pneumoconiosis related diseases.

Mr Davies: Don't read the answers yet!

Mr COYNE: To continue—

- (5) Finally, would the Minister agree that the news item in the "*Kalgoorlie Miner*" dated 18 August captioned "Concession on Injury Pay Bill" is a conservatively honest account of the member for Murchison-Eyre's contribution towards retaining the provision as contained in section (8) of the present Act.

Several members interjected

Mr Jamieson: I hope you have written your answers, too.

Mr Brian Burke: Don't you know what you do?

Point of Order

Mr BARNETT: Mr Speaker, do you not feel that the member's question is seeking an opinion and therefore is out of order?

The SPEAKER: Order! I listened carefully to the question and it appeared to me to be not entirely in order. If the member for Murchison-Eyre would hand the question to the attendant I will have a look at it. In the meantime I will take another question and then call the Minister to answer the question asked by the member for Murchison-Eyre.

A Government member: It is obvious why they don't want it answered!

Speaker's Ruling

The SPEAKER: Order! Before I call for the next question I want to refer to the question asked by the member for Murchison-Eyre. Having studied the question, I find that parts (1) to (4) are in order but the last paragraph—part (5)—is out of order, and I ask the Minister for Labour and Industry to disregard this part.

The part of the question to which I refer is the part which starts, "Finally, would the Minister agree that the news item in the *Kalgoorlie Miner* dated 18 August..."

Whilst I am on my feet I want to again advise members that I am concerned at the type of questions that are being asked without notice. Some time ago I said there were a number of questions which appeared to me to be not entirely in order. I do not want to reach the situation where I will require members to give me some indication of the question they propose to ask before they ask it. I will have to do that unless members have regard for the Standing Orders of this Assembly. I believe it totally inappropriate that a member rise in his place and ask a question without notice when I cannot determine whether or not it is in order until after it has been fully asked, and then I find I must deny the right of the Minister to answer a question. That is a totally unacceptable situation and I do not want

to reach the point where this type of conduct is adapted. I simply ask members to ensure that the questions they ask are completely in order.

Questions Without Notice Resumed

Mr O'CONNOR replied:

- (1) to (4) Yes. The article is grossly unfair and in line with much misleading information distributed to the public including the pamphlet distributed by the member for Kalgoorlie during the recent election campaign regarding workers compensation.

Mr Davies: That was a legitimate pamphlet.

Mr O'CONNOR: What I say is correct.

Apart from contacting and pressing me on a number of occasions on behalf of industrial disease victims, the member for Murchison-Eyre has also been active for advice from the Department of Labour, the SGIO, and has contacted affected workers in the Goldfields and has reported their views and worries back to me. I cannot recollect one instance where the members for Yilgarn-Dundas and Kalgoorlie have contacted me on this Bill in the interest of industrial disease victims, either by way of proposal or contribution. It is indicative of the effective active interest displayed by the member for Murchison-Eyre on behalf of his electors, but not displayed by the members for Yilgarn-Dundas and Kalgoorlie.

STATE FINANCE: BORROWING PROGRAMME

Infrastructure: Interest Rates

412. Mr HARMAN, to the Treasurer:

This question is supplementary to question 1608 of today wherein I asked the Treasurer to spell out the specific interest on a loan of \$38.6 million arranged with the Long Term Credit Bank of Japan by the SEC.

I ask the Treasurer whether he is aware that the current interest rates provided by the London interbank offered rate at the present moment is 19.50 per cent on seven days' notice; 19.38 per cent on three months' fixed; and 19.36 per cent on six months' fixed.

Sir CHARLES COURT replied:

No rate of interest applies to the Long Term Credit Bank loan at present because no funds have been drawn.

As I stated in my reply to the member's question without notice on 11 August, the loan is a trade credit arrangement to finance the purchase of generating equipment for the Muja D power station.

The first draw-down of the loan is expected to be later this month when \$238 000 is due to be paid to the suppliers of the equipment followed by larger sums at intervals during manufacture and on delivery.

The rate of interest applicable to each draw-down will be the London interbank offering rate at the time for six-month funds plus one-eighth of one per cent.

It was possible to arrange the loan in alternative currencies to United States dollars at lower interest rates but with an attendant greater exchange risk. For example, much lower rates were available in Swiss francs but experience has shown that the steady appreciation of that currency has required progressively higher interest payments in Australian dollars and far higher capital payments on maturity.

The effective rate of interest on any borrowing in an overseas currency depends on the stipulated interest rate and the final effect of currency differentials.

In this respect, the United States dollar is considered the safest currency for us to borrow although our overall overseas borrowing pattern will probably involve a mix of selected currencies in which there is substantial trade with Australia in an endeavour to average out exchange risk. Judgement needs to be exercised on the occasion of each borrowing in the light of relative interest and exchange rates prevailing at the time.

Another important factor is that at a time of universally high interest rates for fixed rate loans, it can be preferable to borrow at floating rate because of the ease of withdrawing from the loan at any roll-over date and switching into a more favourable fixed rate loan when interest rates are more favourable.

Analysis shows that the average rate payable on floating rate loans over a period of time is lower than on fixed rate loans in the same currency.

MINISTER FOR EDUCATION

Statement: Victorian Schools

413. Mr SKIDMORE, to the Minister for Education:

On page 2996 of *Hansard* the Minister made a remark as follows—

Tomorrow members of the House will have the opportunity to read what takes place in Victorian schools—

The Minister went on to say—

When members read it, they will realise what will happen in Western Australia if we have a continuation of the type of militancy we have experienced in the past few weeks—

I would like to ask the Minister: When will we receive the pearls of wisdom?

Mr GRAYDEN replied:

I can assure the member that the document is well worth waiting for.

Mr Harman: We were going to get it last year.

Mr GRAYDEN: A large number of the documents have been distributed and have been received by all Government members. Members of the Opposition are the next on the list to receive the document.

Mr T. H. Jones: That is nice of you!

LIQUOR ACT

Section 122: Amendment

414. Mr BRIDGE, to the Chief Secretary:

With respect to section 122 of the Liquor Act where instances have occurred where city nightclub or hotel proprietors have totally banned sober and well dressed Aboriginal persons from entering any section of their premises, does he propose to review the Act so that proprietors will be fined an amount sufficient to act as a deterrent to prevent discrimination occurring on the grounds of race and colour?

Mr HASSELL replied:

I want to make it clear at the outset that the matter raised by the member for Kimberley is the same matter that he raised last week. Unfortunately, in my opinion, the incident was badly misrepresented in a media report and it should be placed on record that I did not say last week that the Government was not dealing with the matter. As the member for Kimberley knows, it is the usual practice for legislation and other matters coming before the House to be dealt with when they are introduced and not to be announced in advance.

An Opposition member: Except to members of the Government!

Mr HASSELL: I reassure the member that that is the situation and that it remains under consideration by the Government and in due course the outcome of it will be made known.

HEALTH: DRUGS

Trafficking: Offences

415. Mr BLAIKIE, to the Chief Secretary:

- (1) Since 1980 how many persons have been charged with offences related to drug trafficking?
- (2) During that period how many people have been—
 - (a) acquitted;
 - (b) convicted?
- (3) What was the extent of the penalties imposed?
- (4) Has the Crown Law Department appealed against any penalty imposed and, if so, with what result?

Mr HASSELL replied:

I thank the member for notice of the question the answer to which is as follows—

- (1) There were 147 people.
- (2) (a) There were 7 people acquitted and there are 78 charges still awaiting court determination.
- (b) There were 62 people convicted.

- (3) Information as to the extent of penalties imposed is not readily available in the form that should be given in this answer. The information will be made available at the earliest opportunity.
- (4) There was one appeal which did not succeed.

MINING: DIAMONDS

Agreement

416. Mr BRYCE, to the Minister for Resources Development:

Concerning the matter raised by the member for Maylands earlier in today's session, if the Minister is sincere in his endeavours to permit a genuine debate in Parliament in respect of the future diamond industry, is he prepared to bring to the House the Government's final proposals for the agreement between the State Government and the joint venturers before it is signed as a *fait accompli* so it can be effectively and fairly debated by the Parliament?

Mr P. V. JONES replied:

The member for Ascot would be well aware that the matter can be effectively debated.

Mr Bryce: It cannot; you know it cannot. Don't try to kid people any longer.

The SPEAKER: Order!

Mr P. V. JONES: The purpose of bringing the matter before the House is to enable discussion to take place of an agreement which has been negotiated and discussed, in the way we are doing it now.

Mr Bryce: All we can do is vote against it. You have already decided what the agreement will contain. We cannot discuss that aspect of the agreement.

The SPEAKER: Order! I ask the member for Ascot to allow the Minister to answer the question he has asked.

Mr P. V. JONES: What the member is really asking is whether in fact the terms of the agreement can be discussed in Parliament before the agreement is negotiated with the company.

Mr Bryce: Right.

Mr P. V. JONES: The Government is not prepared to do that, and the member for Ascot should know better than to ask us to do that. In any situation like this, the Government conducts negotiations and discussions with the particular company and, agreement having been reached, the matter is brought before this place for full discussion and examination.

HOSPITAL: FREMANTLE

Medical Practitioners

417. Mr HODGE, to the Minister for Health:

The Minister would be aware the Fremantle Hospital Board recently made a decision to prohibit all general practitioners in the Fremantle area from treating patients in the Fremantle Hospital. Can the Minister inform the House whether that decision was made as a result of a direction or as an instruction from him to the board?

Mr YOUNG replied:

The answer to the second part of the question is unequivocally "No". As to the first part of the question, I believe the member for Melville is incorrect when he states the Fremantle Hospital Board—bearing in mind that any action taken in respect of this matter would be as a result of a decision made by the Fremantle Hospital Board—has banned all general practitioners in the Fremantle area from practising at the hospital.

Mr Davies: Unless they are on the clinical staff.

Mr YOUNG: The member for Melville did not acknowledge the point the Leader of the Opposition made.

Mr Hodge: How many general practitioners do you think are on the clinical staff?

Mr YOUNG: The member for Melville overlooks the fact that general practitioners may apply to be registered at Fremantle Hospital, because it is both a teaching and a community hospital and, upon registration, they would become members of the clinical staff. In fact, many general practitioners have so applied and have been registered as members of the clinical staff of that hospital.

TRANSPORT: AIR

International: North-west-Bali

418. Mr SODEMAN, to the Minister for Transport:

- (1) Has the Minister read the article which appeared in today's edition of *The West Australian* headed "Government looks at NW-Asia air link"?
- (2) If so, in view of the State Government's strong and repeated representations to the Federal Government to expedite a direct international north-west-Bali air route, what is his reaction to the statement that the Federal Government only now, "has established a small group to consider the matter"?

Mr RUSHTON replied:

- (1) and (2) I thank the member for some notice of this question, the answer to which is as follows—

I am perturbed at what appears to be yet another example of Commonwealth stonewalling tactics on the Western Australian Government's proposal for direct scheduled air services between the Pilbara and Bali operated by Airlines of Western Australia. The proposal has been represented to the Federal Minister for Transport (Mr Hunt) in the strongest possible terms for more than three years since the member for Pilbara sought WA Government initiatives toward having the services introduced to meet the needs of the people of the Pilbara and north of the State generally.

The latest advice from Mr Hunt that consideration of the proposal will not occur until it is looked at by a proposed all-embracing review of aspects of Australia's international civil aviation policy, which could well drag on for some two or three years, is totally unsatisfactory.

The WA Government has been urging the Federal Government for more than a year now to get this long-promised review underway. However, I find it completely unnecessary that the simple, clear-cut issue of the proposed Perth-Bali services should be subjected to the review and the delay that must

ensue. It must be extremely doubtful whether the inquiry's recommendations, whatever they might be, could be implemented this side of 1983. This sort of a delay is unfair and unacceptable.

I am not prepared to await the outcome of such a long-term major inquiry into all aspects of international civil aviation when the people of the Pilbara have so clear a right to obtain direct air services to South-East Asia now.

The proposal has the full support of the Western Australian Government because it would bring very important holidaying opportunities to the people of the Pilbara and Kimberley regions, and very significant savings on the present situation under which they must first fly to Perth to connect with overseas flights.

Mr Davies: We know all this; these are just words, words, words! We want action!

Mr RUSHTON: Are members opposite not interested in what I have to say?

My answer continues—

It would mean also that tourists from overseas would be able to fly direct to the north-west from the popular resorts of South-East Asia, with the very important spin-off benefits from this industry to the north and Western Australia generally.

The proposal to operate a F28 service between Port Hedland and Denpasar has already been agreeably responded to by the Indonesian Government. We will continue to press in the strongest possible terms for recognition by the Federal Government of the immediate need and desirability of such regular scheduled services between the Pilbara and Bali by Airlines of Western Australia, and I will ask Mr Hunt to give reasons for it not being introduced forthwith.

I thank the member for Pilbara for his continuing interest and representations on this matter which is of such importance to the people of Pilbara.

HOUSING: RENTAL*Rents: Increases*

419. Mr DAVIES, to the Honorary Minister Assisting the Minister for Housing:

Perhaps the Honorary Minister can help me interpret his answer to question 1689 of today. I asked whether the moiety increases on subsidised rents were still limited to \$5 a week to which the Honorary Minister replied that increases were limited to moieties of \$5 a week each six months where family circumstances were unchanged, unless the increase did not exceed \$6 a week, when the full increase would be implemented. I ask—

(1) Could the Honorary Minister explain his answer?

(2) Why is there any justification for charging more than \$5 in circumstances where the rent increase is less than \$6?

Mr LAURANCE replied:

(1) and (2) In some cases where—possibly due to a renovation programme which has brought an old property up to new standard—rents have been increased, the increases are imposed in \$5 moieties every six months. However, if the rent increase is of the order of \$6 a week, it would be effected in one increase, rather than in moieties of \$5 and \$1.

EDUCATION: HIGH SCHOOLS*Right-to-Life Association: Film*

420. Mr BLAIE, to the Minister for Education:

(1) Has the Government yet made a decision in respect of the Right-to-Life Association's audio visual presentation which has been the subject of recent public controversy?

(2) If so, what is the decision?

Mr GRAYDEN replied:

(1) and (2) I thank the member for some brief notice of this question. I am aware of the controversy which has surrounded the Right-to-Life Association's audio visual presentation, as a result of which I referred the matter to the health education advisory committee. The panel now has advised me it regards the programme in its present form as being unacceptably emotive in approach, both in the choice of language and in the visual details.

The panel, however, agreed that the discussion of abortion in schools is justifiable under proper circumstances and that it is the approach rather than the subject matter which is unacceptable in this case. As a result, the Right-to-Life Association will be asked to modify its presentation in order to conform with acceptable departmental standards. There is no possibility of the Right-to-Life Association's presentation being banned, provided it meets departmental requirements.

I have met representatives of the association. As far as I am aware, the association is prepared to do this.

HEALTH*Isolated Patients' Travel and Accommodation Assistance Scheme*

421. Mr BRIDGE, to the Minister for Health:

Further to the question I asked the Minister yesterday concerning the abolition of the north-west assisted patients' transport scheme, can he clarify what he meant in part (3) of his reply? In that he stated—

They may seek emergency help from social service agencies where normal lending agencies refuse temporary accommodation.

Mr YOUNG replied:

I would be quite happy to clarify the matter for the member for Kimberley. The intention of the answer was that if a person could afford to meet the amount that would be charged under the IPTAAS, but was temporarily short of funds, one would expect him to make arrangements for his own finance, and the Commonwealth would refund the amount of money that he had to shell

out. If, on the other hand, a person could not afford to pay the sum, and he was not a person who might be able to make arrangements for borrowing funds inside the normal lending situation, he may approach some form of social security agency such as the Community Welfare Department, the Department of Social Security, or any other social service agency in respect of the matter to see what could be done. If a person finds himself in a situation in which he is unable to raise the money, and he is not an inpatient, under which circumstances the person is transferred free in any event, the State gives a guarantee that if he needs the treatment and must go to Perth, he will be taken to Perth and given the treatment.

EDUCATION

School Swimming Programme

422. Mr McIVER, to the Minister for Education:

Would he supply details at tomorrow's sitting about the situation with in-term swimming classes throughout Western Australian schools this summer?

Mr GRAYDEN replied:

I can supply the member with most of the information he requires now. Proposals have been put forward in respect of a reduction in the school swimming programme. Those proposals will be taken into consideration in the formulation of the Budget. Irrespective of what happens, however, swimming programmes will be continued for non-swimmers or poor swimmers and those children seeking lifesaving qualifications. Subsequently, if a reduction in funds for the school swimming programme is agreed to by the Government, it does not necessarily mean any diminution of the school swimming programme as we have 14 000 full-time teachers, many of whom hold the bronze medallion and are qualified to teach swimming. At present, a school simply goes to a pool, and

although many of the teachers are qualified to teach swimming, they simply sit by while part-time staff take the swimming lessons. We would also think in terms of in-service programmes in order to enable teachers to qualify to teach swimming.

Mr Davies: Congratulations! You confused the issue.

PUBLIC SERVANTS

Australian Labor Party

423. Sir CHARLES COURT (Premier):

Yesterday, in answer to question without notice 408 asked by the member for Kalgoorlie, I said that I would follow up the transcript of the question asked. I have done so, and I would now like to reply to that question, as follows—

(1) and (2) In my response yesterday to the member's question without notice, I stated that the allegation was a figment of someone's imagination. No such instruction or request, whether written or otherwise, has been issued by me; and for a question of this nature to be asked, obviously without any foundation whatsoever, is offensive to say the least.

If the member has been given information which prompted the question, he has a responsibility to disclose his source.

Mr Bryce: You never did!

The SPEAKER: Order!

Sir CHARLES COURT: To continue—

The least he can do is to confront his informant and tell that person of my answer. He should also inform such person that he or she is promulgating a mischievous untruth.

I hope that is given adequate prominence by the Press, in view of the prominence given to the question by one branch of the media this morning.

Mr Davies: Does not the Public Service ask if they have a political affiliation?